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Mississippi. Legislature.

Report of the Joint Legislative Investigating...

[Jackson, Miss.]

[1913?]

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A. C. Anderson, chairman.

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REPORT

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OF THE

JOINT LEGISLATIVE INVESTIGATING COMMITTEE

ELECTED UNDER

Senate Concurrent Resolution Number Seven.

PRINTED BY HEDERMAN BROS., JACKSON, MISS.

A B Anderson
Chairman
Ripley, Miss.

REPORT

OF THE

JOINT LEGISLATIVE INVESTIGATING COMMITTEE

ELECTED UNDER

Senate Concurrent Resolution
Number Seven.

MS 11/3/23

TO THE MISSISSIPPI LEGISLATURE:

GENTLEMEN:

We beg leave to submit this partial report of our work as a Joint Legislative Investigating Committee, elected by the Legislature in extraordinary session, on the 14th day of June, 1913, as follows:

By the Senate—A. C. Anderson, W. A. Ellis.

By the House—S. Joe Owen, D. C. Bramlette, Jr.. W. L. Evans.

Which Special Joint Committee was created and authorized by Senate Joint Resolution Number Seven, which reads as follows:

A CONCURRENT RESOLUTION.

Providing for the appointment of a special committee of the legislature to investigate all State offices, boards, institutions and departments, and to make a full report to the next session of the legislature.

WHEREAS: "Public office is a Public Trust," and incumbents of public offices should be required to faithfully and honestly discharge their official functions; and

WHEREAS: The public interest demands that the books and accounts of all officers, boards, institutions and departments should be periodically examined with a view of ascertaining whether the same are properly kept, and all public moneys coming into their hands fully accounted for, and all

their transactions as agents of the State faithfully and lawfully performed; and

WHEREAS: The last session of the legislature acting through its standing committees, was unable to make more than a cursory examination and investigation of State officers, departments, institutions and boards, because of lack of time and facilities afforded said committee, therefore,

BE IT RESOLVED BY THE SENATE, The House of Representatives concurring, that a special committee to investigate State offices, State officers, State institutions, State boards and departments of State government, except the penitentiary, be constituted to consist of two members of the Senate, three of the House of Representatives, the Senate and House respectively to elect its own members of the Committee.

That said special committee shall be empowered to summon and compel the attendance of witnesses and administer oaths to same; to compel the production of books, papers and documents; to employ agents, stenographers and special accountants, and to do all things necessary to be done in connection with its work in the examination of the accounts, or the investigation of any official or office, or institution or board or department of the State government, except the penitentiary.

That members of the committee while engaged in the work of said invstigation. shall be paid a per diem of five dollars and such actual and necessary traveling expenses as they may incur.

That all expenses of the committee, including their per diem and traveling expenses, and salaries of employes, shall be paid on itemized accounts certified by the chairman of the committee and approved by the Governor.

That for the purpose of defraying expenses of this special committee on investigation of State officers, offices, institutions, boards, and departments of the State government, except the penitentiary, the Governor is hereby authorized and directed to negotiate a loan for the State of $5,000.00 at a rate of interest not exceeding 6 per cent, payable January 15, 1914. And for the payment of said loan, the faith of the legislature is hereby pledged.

That said committee shall make a complete report of its investigations of officers, offices, boards institutions and departments of the State government except the penitentiary to the next regular session of the legislature, to the end that the legislature and the people of the State of Mississippi may be fully advised and informed of the manner in which the public business has been attended to by the public servants.

Passed by the Senate June 12th, 1913.

A. C. ANDERSON,
President of the Senate.

Passed by the House of Representatives, June 13th, 1913.

H. M. QUIN,
Speaker of the House of Representatives.

After being elected, we met in the Lieutenant Governor's office, on the 14th day of June, and organized the committee by unanimously electing

A. C. Anderson, Chairman,
S. Joe Owen, Vice-Chairman,
D. C. Bramlette, Secretary.

After organization, we adjourned to meet again on the first day of July, when the work of the committee was begun.

Most of our meetings were held in the room of the Secretary of the Senate, but some meetings were held at the Noble Hotel, where we secured a room at a moderate price, which we kept as committee headquarters, and which was also used as a living room by the chairman of the committee, when in Jackson. By having headquarters at the hotel we

did much work at night and the convenience of the location enabled us to see and confer with many people who came to see us on committee business.

We realized in the outset that we had a stupendous task to perform—a work that entailed upon us as committeemen many weary weeks of nervous strain, the sacrifice of home and personal interest; and a work that must be done with conscientious caution and patience.

In the beginning we computed as best we could without a precedent to follow the almost infinite scope of the work and its far reaching effect upon the life of our beloved State, and we determined to be careful and thorough in what we did; careful, that no innocent man should be made to suffer an injustice; and thorough, that no guilty man might escape without being held to account for his misdeeds. Working to this end, we employed none but high class men to audit the books of public officials and institutions.

As accountants, we employed the firm of Chas. E. Wermuth & Co., of New Orleans, who maintain a local office in Jackson, who worked from two to three men; Raymond G. Cranch & Co., of Philadelphia, Pa., who worked himself and two other men regularly, with two extra men for a while; and Lewis E. Crook, of Meridian, who worked three men, including himself. These men were employed on a basis of fifteen dollars per day for Messrs. R. G. Cranch and Lewis E. Crook, and ten dollars per day for other men. They were each required to enter into a signed contract, prepared by the Attorney General, and to give bond in the sum of Ten Thousand Dollars for the faithful performance of duty. The contracts and bonds are now on file. The above named were employed for full time and worked straight through with us. In addition to them, we employed L. L. Blount and W. W. Cole to do some special work. We kept in close touch with the accountants at all times, and required them to furnish us a daily time card, showing the number of hours worked each day, which card was

signed by the head of the institution where the accountant was at work, and all of which are now on file.

Robert S. Streit was employed as our official stenographer at a price of ten dollars per day and expenses when out of Jackson, and thirty cents per page for original transcript, and ten cents per page for carbon copies. We found that much time was saved by the Committee in having a competent stenographer, one who could take the dictation as fast as one could talk, as no time was lost in waiting on him. When not convenient for Mr. Streit to be with us we used Mr. J. W. Bloomfield, in some instances, and Mr. E. D. Gunning some of the time, paying them on the same basis as Mr. Streit, and only for time actually served and for transcripts made. Most of the testimony taken by the Committee was transcribed and bound in book form and is on file with reports from our accountants for the information of the legislature.

All of our work has been handled on a business basis, and facts have been reported as they were found. In every investigation made by us we were actuated by a desire to ascertain the truth and serve the State of Mississippi. Our auditors have all been exceedingly careful, painstaking and thorough, and we feel that they have arrived at a true state of facts in every case. In fact, we believe that our audits have been as thorough and complete as possible to make them. We did not stop with merely seeing that the total amount appropriated to each office or institution had receipts for that same amount, but in all expenditures that had the slightest appearance of being irregular, they were closely inquired into and, unless fully and satisfactorily explained to the auditors, such transactions would be listed as "irregular" and pointed out to the Committee for inquiry.

We do not pretend to say that we have found and reported every irregular or improper deal or transaction made by any public official, as such matters are often not shown at all on the books, and it is sometimes impossible to prove them by outside witnesses. But inquiries along these lines have been as

searching as possible to make; and we have been very careful not to make a charge against any man unless we had the facts to fully establish our position; and in taking this precaution some guilty people may have escaped.

It was our policy to first send an auditor to an institution to fully check the books and vouchers, then later the Committee would go and make a full inspection of the building and surroundings, and then go as fully as possible into all business matters with the institution. It was also our policy to take up and run down, as far as possible, all reports and rumors of irregular or improper conduct on the part of those in charge. Along this line, we found many people over the State who were willing to tell the Committee all they knew and help in every possible way to ferret out and run down all such rumors and reports, but we found on the other hand that many of those who had been good at talking and circulating reports around the community or over the State were very poor witnesses when under oath before the Committee. We opened the door to all who wanted to come, or would come, and tell us about any institution or about any report or rumor, and we always gave witnesses broad latitude, and often the cover of private hearings, that they might have the fullest inducement to talk.

In order that every citizen of the State could feel that he could get a hearing before the Committee, the following statement to the public was issued by the Chairman of the Committee, and published in the leading papers of the State:

"To The Press:

"I want to say to the people of Mississippi through the medium of the State press that the investigation now being made by the Legislative Investigating Committee is much more important and far reaching than the average man conceives it to be. We are charged with the stupendous task of checking up and inquiring into every office, institution and board under the control of the State government with a view of ascertaining whether or not all money taken from the people by process of taxation has been properly and honestly used as it was intended to be used, and whether or not it has brought to the

State commensurate returns; and incidentally to make such recommendations as will increase the efficiency of our offices and institutions. To do this work properly and well it is absolutely necessary to have the hearty co-operation of the people whose interest we represent. We do not know what the officials have been doing, and the only way we can find out is to ascertain the facts through witnesses who know. To this end we have been clothed with the power to summon and compel the attendance of witnesses, etc. Now, then, I want to ask every patriotic citizen of Mississippi, who wants to see a general house-cleaning, where such is needed, to give us that help and co-operation that will make the investigation a great success and make it bring large returns to the State in the end. This can be done by communicating to the Committee such irregularities in official conduct as may have come under your observation. Write to me at once, giving names of witnesses, and such information as will lead us to all the facts, and we will give the matter our best attention. This is your simple duty as a citizen and it will greatly aid the Committee in its work. Don't put the matter off long as it will soon be too late. Our time is limited and our funds are limited, but the good we may do the State, with your help and co-operation, is unlimited. I hope every paper in the State will publish this letter, to the end that every citizen of the commonwealth will have an opportunity of reporting to this Committee anything he may know and want to have investigated and that properly comes wihin our jurisdiction. The interest of this Committee is the interest of Mississippi and with no ulterior motive in view, we are striving, without fear or favor, to meet the grave responsibility placed upon us by the legislature. We have headquarters at the Noble Hotel, in Jackson, where we may be reached by letter, telephone or telegram.

"Yours for service,

"A. C. ANDERSON,

"Chairman Legislative Investigating Committee."

Having issued this address to the people of the State, we felt that it was the duty of all good citizens to respond to that call and to communicate to us all that they knew about im-

proper or irregular conduct on the part of any public official, or any one connected in any way with our public institutions, as it was utterly impossible for us to know who to call as witnesses; and we believe that those who knew of improper transactions and failed to report it to us, failed in their duties as citizens.

At the time we began our work, much had been said through the public prints, and otherwise, about graft and dishonesty, and there seemed to be a general unrest and distrust among our people. The very atmosphere seemed surcharged with the idea that most of our public men were grafting and were guilty of malfeasance and infidelity to the public trust. This popular idea made the work of the Committee more difficult, for there seemed to be so many who thought that when we investigated an institution and did not catch a thief, that we had failed in our duty to the State, or whitewashed somebody. It mattered not, however, how many reports of graft and misconduct had been in circulation, when we came to consider the matter we must have facts upon which to base our findings, and when the report of the accountants had disclosed no misappropriation of funds, and we could secure no sworn testimony to corroborate the rumors of graft, we must conclude that the reports were unfounded.

In our investigations we found some dishonest people. We found many leakes through which public funds had been getting away; and we found many errors and extravagancies. But we are happy to say to you that we found the great majority of our public men to be honest and clean, having properly expended and carefully accounted for all funds coming into their hands, and that the trusts committed to them have been kept with patriotic fidelity to the State.

After the work was well under way, and we saw the great necessity for making it full and complete, we estimated as best we could the cost of the entire work as contemplated by the Resolution, and, to be sure of our position and not incur an obligation upon the legislature beyond the five thousand dollars originally authorized, we drafted and mailed to each member of the legislature the following letter:

Jackson, Miss., July 31, 1913.

TO THE MEMBERS OF THE MISSISSIPPI LEGISLATURE:

You will recall that the resolution under which we were elected to investigate all State offices, officers, institutions and departments of the State government, authorized the Governor to borrow only $5,000, with which to meet the expenses of the stupendous task put upon the Committee.

We have employed competent accountants and a stenographer and have entered heartily into the work of thoroughly investigating the affairs of every office, officer and institution coming under our jurisdiction, and we are now confronted with the fact that $5,000 will be far below the necessary cost of the investigation. Having laid out the work and estimated the expenses, we are convinced that the total cost will be around $25,000. This seems like a large sum, but it is very reasonable when one figures out the vast amount of work to be done, most of which must be done by expert accountants. We have employed a number of accountants, each one being required to enter into a written contract prepared by the Attorney General, and also required to give bond in the sum of $10,000 for the faithful performance of duty.

We are making satisfactory progress in the work and have already shown some good results. We feel sure that the State has never spent $25,000 that will bring larger returns in the end, even in dollars and cents than this amount spent in this investigation, to say nothing of the increased efficiency in our offices and institutions. We find that we will be greatly hampered in the work if we undertake to proceed on the "credit system," as much of the expense must be met promptly; so, in order to do the work in a satisfactory manner, and bring the best results, we deem it proper and necessary that ample funds be provided to carry the work to a successful finish; therefore, we have decided to ask permission of the members of the legis-

lature to authorize the Governor to borrow $20,000, or so much thereof as may be necessary, to be used in this work. We feel sure that every member of the legislature desires to have this work done thoroughly and completed at the earliest possible moment, and to this end we feel sure of your co-operation and your willingness to provide us with necessary funds, but prefer to have your consent before borrowing more money. All bills to be paid by the Committee are itemized and signed by the Chairman of the Committee and approved by the Governor, and should any part of the sum borrowed be left over it will, of course, be turned into the State.

If you approve the plan as outlined above kindly sign the following agreement and mail to us at once.

Very respectfully,

A. C. ANDERSON, Chairman.
D. C. BRAMLETTE, JR., Secretary.

I hereby consent to and authorize Governor Earl Brewer, to borrow Twenty Thousand Dollars in addition to the Five Thousand Dollars already borrowed for the use of the Joint Legislative Committee, and pledge myself to vote in the legislature for its re-payment, said loan to bear interest at a rate not to exceed six per cent.

(Signed) .....

Member of Legislature from .....County.

Within a few hours after these letters were placed in the postoffice favorable responses were coming in, and, while we did not hear from all members, a good majority of both Houses pledged their support to the additional loan, and only a very few members protested against the loan.

The many encouraging letters received from members along with their pledge to support the appropriation convinced your Committee that the members were in hearty sympathy

with the work. Having received sufficient pledges to guarantee the re-payment of the loan we filed these pledges with Governor Brewer and asked that he arrange the additional loan, that we might proceed upon a cash basis. Responding to that request, Governor Brewer wrote the following letters to the Committee:

August 20, 1913.

Mr. A. C. Anderson, Chairman,
Joint Legislative Investigating Committee,
Jackson, Mississippi.

Dear Sir:—

I am in receipt of your letter of recent date enclosing me instructions signed by a majority of the legislature instructing me to borrow $20,000 and place it at the disposal of your Committee, and in reply will say that it is going to be a right hard matter to borrow this money at the rate of interest in view of the financial stringency at this time. But I will do my best on the job. I think it best to borrow this money in blocks of $5,000, and place this amount at your disposal, and then await expenditure of this, so as to avoid as much interest as possible, and I shall endeavor to place $5,000 at your disposal at as early a date as possible.

I want my position made perfectly plain in this matter. I want it distinctly understood that I am heartily in favor of investigating every State officer's accounts, and every State institution that is supported in whole or in part by the State, but I think this should be done in an economical way, and am constrained to believe that an expense of $25,000 devoted to this is not an economical examination and would not be my way of accomplishing the end desired. But out of great deference to the wishes and instructions of the legislature and the wishes of your honorable committee, I shall defer my personal views of the subject and undertake to comply with your wishes and the instructions of the legislature.

Yours truly,

EARL BREWER,
Governor.

August 20, 1913.

Hon. A. C. Anderson, Chairman,
Legislative Investigating Committee,
Jackson, Mississippi.

My Dear Sir:

I have made arrangements to borrow Five Thousand Dollars (5,000) of the Twenty Thousand Dollars ($20,000) which your Committee may need, from the Merchants Bank & Trust Company, of this city, at six per cent per annum, and I have instructed the bank to place this to the credit of the "Legislative Investigating Committee," checks to be paid when signed by you as Chairman and countersigned by me with vouchers attached.

Yours truly,

EARL BREWER.
Governor.

In reply to which the following letter was written to the Governor:

Jackson, Miss., Aug. 21, 1913.

Hon. Earl Brewer. Governor,
Jackson, Mississippi.

My Dear Governor:

I have just returned to Jackson after an absence of three days and find your letters. One saying you will endeavor to borrow the $20,000, but will borrow it in blocks of $5,000 at a time. This I think is the wise course and I heartily approve it. I note also that you say you think $25,000 is a larger sum than should be spent for this work. I assure you that every member of the committee would rejoice to see the cost fall far short of that figure, but we have been selected by the legislature and charged with a very heavy responsibility and we feel that if the work is done at all it should be done right and the examinations should all be thorough and complete, that much we owe to the officers and institutions we are to investigate, we owe it to ourselves and to the State. I really feel

that the expense incident to this investigation is a secondary consideration, yet as I say above, we shall be glad if we can get out on a less sum than the $25,000.

I also have your letter saying you have borrowed $5,000 from the Merchants Bank & Trust Co.

Thanking you for your courtesies to the Committee and your co-operation, I am your friend, with best wishes,

A. C. ANDERSON,
Chairman Committee.

The full amount of the Twenty Thousand Dollars has been borrowed and has been used. It is likely that when the last audits are finished the cost of the entire work will exceed the Twenty-five Thousand Dollars by a few hundred dollars.

We have made already thirty-five complete audits and have reports from our accountants on them, and have two others yet unfinished. The period of time covered by these audits varies from two to ten years, but most of them cover two years, bringing them up to some period in the fall of 1913. The two largest pieces of work we had to do, each covered a period of four years. We have found a considerable number of errors and some over-payments, and at the Insane Hospital, in Jackson, a considerable amount had been taken by fraud, which the Attorney General is now making an effort to collect from the bondsmen of former steward, T. H. Turley.

The sums recovered, or in course of adjustment are as follows:

Industrial Institute and College	$ 43.50
University	99.85
A. & M. College	125.77
Supreme Court	90.50
Land Commissioner	673.05
Delta Experiment Station	45.20
Secretary of State	592.59
Soldiers' Home	582.13
Auditor's Office	786.00

Governor's Office	80.00
Yazoo-Mississippi Delta Levee Board	73.73
Insane Asylum, at Jackson, about	5,000.00

Of the shortage in the Land Commissioner's office $328.05 was paid into the treasury by Leigh Watkins in July. Mr. Watkins was serving as Deputy Land Commissioner and he confessed to having embezzled the amount, but be it said to his credit, he recanted and paid the sum back into the treasury before the audit of that office was made. He also surrendered himself to the proper authorities and was given a sentence of one year by the court. In a few weeks he was pardoned by Governor Brewer. Mr. Watkins did not only refund the original amount taken, but also paid into the treasury along with the principal eight per cent interest on it for the time it was in his hands.

The sum of $5,000, at the Asylum was lost to the State by fraud and embezzlement and represents, as we believe, a sum far below the actual loss at that institution; but suit was brought for only this amount because we did not believe that we could make the proper proof in court to recover a greater amount, and we wanted to be within safe bounds.

The audits we have made are as follows:

Name. Period Covered. Auditor.

A. & M. College—July 1, 1911, to June 30, 1913—Lewis E. Crook.

University—July 1, 1911, to June 30, 1913 — Lewis E. Crook.

Oyster Commission—Sept. 1, 1911, to Sept. 1, 1913—Lewis E. Crook.

King's Daughters' Hospital. Gulfport—July 1, 1910, to Oct. 1, 1913—Lewis E. Crook.

Soldiers' Home—Oct. 1, 1911, to Oct. 1, 1913—Lewis E. Crook.

I. I. and C.—July 1, 1911, to July 1, 1913—Lewis E. Crook.

Mattye Hersee Hospital at Meridian—Dec. 1, 1911, to Nov. 1, 1913—Lewis E. Crook.

Mississippi National Guard—Dec. 23, 1911, to Nov. 15, 1913—Lewis E. Crook.

Yazoo-Mississippi Delta Levee Board—Oct. 1, 1909, to Oct. 1, 1913—Lewis E. Crook.

Governor's Office—Jan. 16 1912, to Dec. 20, 1913—Lewis E. Crook.

Superintendent of Education's Office—Feb. 1, 1907, to Dec. 31, 1913—Lewis E. Crook.

Attorney General's Office—Jan. 12, 1912, to Dec. 29, 1913—Lewis E. Crook.

State Geologist's Office—Feb. 1, 1909, to Dec. 10, 1913—Lewis E. Crook.

Department of Archives and History—Jan. 18, 1910, to Dec. 22, 1913—Lewis E. Crook.

Secretary of Educational Board of Trustees—May 22, 1912, to Dec. 31, 1913—Lewis E. Crook.

Supreme Court—Jan. 1, 1912. to Dec. 31, 1913—Lewis E. Crook.

Railroad Commission—Jan. 1, 1912 to Dec. 31, 1913—Lewis E. Crook.

Insane Hospital, Jackson—Oct. 1, 1909, to June 30, 1913—R. G. Cranch.

Deaf and Dumb Institute—Oct, 1, 1911, to Aug. 31, 1913—R. G. Cranch.

Mississippi State Charity Hospital—May 1, 1912, to Aug. 31, 1913—R. G. Cranch.

East Mississippi Insane Hospital—July 1, 1909, to Sept. 30, 1913—R. G. Cranch.

Natchez Hospital—July 1, 1910, to Nov. 24, 1913—R. G. Cranch.

Alcorn A. & M. College—July 1, 1910, to Nov. 24, 1913—R. G. Cranch.

State Board of Health—Jan. 1, 1912, to Dec. 1, 1913—R. G. Cranch.

Secretary of State—April 1, 1910, to Dec. 1, 1913—R. G. Cranch.

State Library—Jan. 1, 1912, to Dec. 31, 1913—R. G. Cranch.

Auditor's Office—Oct. 1, 1909, to June 30, 1913—Chas. E. Wermuth & Co.

Department of Agriculture—Oct. 1, 1910, to Sept. 30, 1913—Chas. E. Wermuth & Co.

Insurance Department—Oct. 1, 1911, to Sept. 30, 1913—Chas. E. Wermuth & Co.

Land Commissioner—Oct. 1, 1911, to Sept. 30, 1913—Chas. E. Wermuth & Co.

Holy Springs Ex-Station—July 1, 1911, to June 30, 1913—L. L. Blount Audit Co.

Delta Experiment Station—Jan. 1, 1904, to Aug. 30, 1913—L. L. Blount Audit Co.

Blind Institute—Oct. 1, 1911, to Sept. 18, 1913—L. L. Blount Audit Co.

State Charity Hospital, Vicksburg—July 1, 1911, to Aug. 31, 1913—L. L. Blount Audit Co.

McNeil Ex-Station—Jan. 1, 1902, to June 30, 1913—L. L. Blount Audit Co.

We find it to be a common practice for trustees of State institutions to deal in contracts with the institution on whose board they are serving. In some instances where trustees made sales to the institution it was in emergency cases and the violation of the law was technical, but if allowed, even in

emergency cases, there is liable, at times, to be an abuse of the privilege. It is a pernicious practice, because those buying for the institution naturally feel under obligations to the trustees, and when they ask for a contract they are apt to get it and competition is often shut out and the institution made to suffer. We believe that the law against trustees dealing with institutions should be amended and made stronger and plainer, and to this end we expect to draft and present a bill within a few days.

We find that in some of our institutions there has been switching of funds from one department to another. The law making appropriations usually states that there shall be no such switching of funds, but the law is often defeated in some technical way, or simply ignored and violated. It might be a good idea to have a general statute against switching of funds and make the law hold the man so offending to be responsible for the amount of money, and also subject to a fine for violating the law. In some cases it has seemed that the common good has been subserved by transferring funds from one department to another, and in many cases the motive was good, and to obviate what seems at times to be a necessity for such a transfer, it might be well to provide a contingent fund of a reasonable amount for the larger institutions.

We also find that it has been the policy of some of our institutions to draw out their appropriations, or large portions of it, and deposit it in local banks. This practice we strongly condemn. We believe that the best place to keep the State's money is in the State's own treasury. It is safer there and will bring some interest to the State and often saves the treasury from being depleted when obligations are to be met. We believe that the money should be drawn as it is needed, and should never be taken out and put in local banks, except a small fund to meet current expenses authorized to be paid that way.

We find, too, that a number of State officers carry individual accounts, and some of these funds frequently remain in

the bank for weeks, and often at times when the treasurer needs the money. We say again that the place for the State's money is in the State's treasury, and that where at all practicable, payments should be made direct to the treasury in the usual legal way.

We find that some of our public men in traveling for the State charge the State three cents a mile railroad fare. This is to be expected where only a few trips are made, but where one does considerable traveling there should be an arrangement for procuring mileage books and only two cents a mile allowed. This one item would amount to a saving of several hundred dollars a year to the State.

There are also a considerable number of other recommendations which we expect to present in the form of bills.

CHARITY HOSPITALS.

We find that the State of Mississippi is supporting, in whole or in part, five Charity Hospitals for the treatment of the poor. At the last session of the legislature there was appropriated for the support of these hospitals for the years 1912 and 1913 One Hundred and Seventy-four Thousand ($174,000.00) Dollars out of the State treasury, distributed as follows:

State Charity Hospital at Jackson	$ 50,000
State Charity Hospital at Vicksburg and Confederate Annex	60,000
Charity Hospital at Natchez	45,000
Mattye Hersee Hospital at Meridian	15,000

King's Daughters' Hospital at Gulfport	4,000
Total	$174 000

It will be seen at a glance that these hospitals are not fairly distributed over the State. The Alabama & Vicksburg Railroad running across the State is south of the geographical center, and the State is not maintaining any hospital north of this railroad.

The State Charity Hospital at Jackson is asking for the building of a large annex which will practically double its capacity. It is a matter for your serious consideration as to whether it shall be the policy of the State to maintain a few large hospitals or several smaller ones, distributed over the State.

MISSISSIPPI STATE INSANE HOSPITAL.

Jackson, Mississippi.

Perhaps the most important work we have done as a special committee was our audit and investigation of the Mississippi State Insane Hospital, at Jackson. The books of this institution were audited by R. G. Cranch & Company, of Philadelphia, and covered a period of nearly four years, beginning October 1, 1909, and ending June 30, 1913. The books, records and vouchers were in bad shape, so poorly kept, in fact, that the audit was tedious and expensive. Conditions at that institution were far from satisfactory, although they had been greatly improved at the time we began our work of investigation by Doctor W. W. Smithson, the superintendent, and Judge Robert B. Mayes, one of the trustees.

We think there has been more or less petty graft and stealing going on there for years, but the conditions during the year 1912 and the first part of 1913 were simply fearful. The

new Board of Trustees, appointed in 1912, consisted of the following named, to-wit:

W. S. Hamilton, Chairman.
W. A. Gaddis, Secretary.
C. T. Beven.
Capt. O. J. Waite.
J. B. Lusk.

It seems that when this board was organized and took charge of the institution there were a number of changes made. A number of men who had been there for years, and had faithfully and honestly performed their duties, were turned out and new men put in some of whom have proved to be worthy, honest men, while others proved to be dishonest and untrue to the trust reposed in them. T. A. Downing, who had been steward for a number of years, and who, so far as we are able to ascertain, had a clean record, was turned out and T. H. Turley was made steward. Mr. Turley seemed to assume at once that he was the chief officer of the institution and proceeded to take charge of and run it to his own liking and very much in his own interest. Although the retiring board had passed an order, which is of record, designating the superintendent as the purchasing agent, yet, Steward Turley assumed the duties that belonged under that resolution to Doctor Nolan Stewart, who was then superintendent of the institution, and made such purchases and sales as suited his fancy, and that, too, without even advising with the superintendent. Doctor Stewart offered some protest in some instances, but he was not only ignored, but, on at least one occasion, was assaulted by Turley, who was a stout and very active young man, while Doctor Stewart was much older, frail and really at that time in a low state of health. Doctor Stewart was superintendent at the asylum when conditions under Turley and his associates were at the worst, but after going as fully as possible into every phase of the conditions existing there, your Committee can find nothing for which to censure Doctor Stewart. He is an able and expert physician on diseases of the mind, and he gave his undivided attention and whole time to his work inside the hospital. He could have given more time to affairs on the outside but in

this he would encounter Mr. Turley, who had assumed complete control, and interference by Doctor Stewart would have meant physical violence, which Doctor Stewart was too much of a gentleman to precipitate. He assured us that he appealed in vain to the trustees to uphold his hands, but a majority of the trustees seemed to side with and uphold Turley.

Mr. T. A. Downing, who was steward before Mr. Turley was elected,, was appointed by the Board of Trustees as "Assistant Steward," at a salary of one hundred dollars per month, and it was set out in the minutes of the board that the salary of Mr. Downing was to cease when he secured another position somewhere. He drew this salary for three months during the early part of Turley's administration, but it does not appear that Mr. Turley called on him very often for assistance, as some of the most important deals made by Turley were made without conferring with his assistant or superintendent.

Soon after Mr. Turley assumed his duties as steward, he made sale of about seventy-three head of cattle from the hospital to a negro named Jim Greaves, who lived in Rankin county. In this herd were forty-six milch cows, two steers and about twenty-five heifers and calves. The milch cows were placed on the inventory turned over to Mr. Turley by Mr. Downing at about thirty-five dollars a head; they were sold at an average price of twelve dollars a head. The heifers, some of them two years old, and valued on the inventory at fifteen dollars each, were sold at an average price of five dollars a head. These cattle were sold by Mr. Turely without any conference whatever with the superintendent, who did not know of the deal until several days after it had been made and the cattle driven away. Jim Greaves, who bought the cattle, lived near the Hamilton farm, in Rankin county, and when he came to look at the cattle he was accompanied by Bob Hamilton, brother to W. S. Hamilton, president of the Board of Trustees. When Jim Greaves came after the cattle, about daylight on Sunday morning, Bob Hamilton was with him. The cattle were driven to the Hamilton pasture in Rankin county, and from

there they were traded, sold and slaughtered. In this deal, your Committee is convinced that the State lost heavily. This transaction was approved after it was made by a majority of the Board of Trustees.

Not only did the State lose heavily in the sale of these cattle, but also lost heavily in certain purchases made by Turley and approved by the board, in which prices far in excess of the real values were paid. Not only were the prices excessive, but as an evidence of fraud these sales to the institution were made in the name of E. W. Weathersby, a man without means, moral standing or self-respect. In the course of our investigation it was developed that Bob Hamilton sold the stock to Mr. Turley, for which excessive prices were paid, and that the name of Weathersby was used to conceal the fact that Mr. Hamilton, who was a brother to the president of the board, was making the sales. Among these sales by Mr. Hamilton was a pair of small mules, weighing when in good flesh, slightly above eight hundred pounds each, one about seventeen years old and the other one perhaps five years younger; the price paid was two hundred and twenty-five dollars each. Another sale was a saddle horse which belonged to some estate in Jackson, and was offered for sale. The negro Jim Greaves bought the horse for seventy-five dollars, and in less than twenty-four hours sold him to Mr. Turley for the State for One Hundred and Eighty-five dollars; Bob Hamilton collected the money for Greaves and signed the receipt to the hospital. Greaves swore to the committee that the price Turley paid him was One Hundred and Seventy-five dollars, but the voucher showed that Hamilton collected One Hundred and Eighty-five dollars.

Another deal was the purchase of milch cows by Turley for the hospital. These cows seemed to have been bought from the negro Jim Greaves, at a price of thirty-eight dollars for nine, and thirty-three and a third dollars for three more, making twelve head in all, for which the total sum of Four Hundred and Forty-two dollars was paid. Instead of showing the purchase of twelve head of cows the voucher showed seventeen head; and instead of showing the sum of Four Hundred and

Forty-two dollars, the amount which seems to have been paid. the voucher was for Eight Hundred and Ten dollars.

L. J. Kline who was then in charge of the dairy swore that Turley told him to report the purchase of seventeen head, and then report one or two dead each month, until the figures were made right.

These deals were all approved by the Board of Trustees, most of whom well knew that E. W. Weathersby did not own a cow, or the price of a cow. Most of these transactions took place within a few months after the new board came in.

From the first there was more or less dissension in the board, Captain O. J. Waite and J. B. Lusk constituting a minority and protesting against many of the transactions, deals and policies of the majority.

The following letter from Governor Brewer to Superintendent Doctor Nolan Stewrat, shows that this split in the board had reached an acute stage as early as April 25, 1912:

April 25, 1912.

Dr. Nolan Stewart,
Care Insane Hospital, City.

Dear Doctor:

The controversy between the minority and majority of the members of the Board of Trustees, and the controversy between the majority of the Board of Trustees and yourself is exciting considerable comment and creating a political row over the matter that is not good for the institution. I have requested the chairman of the Board of Trustees to call a special meeting of this board to take place tomorrow at the institution at 3 o'clock, and I want to request that you gentlemen get together and settle this matter and do so decisively and at once, otherwise I will be compelled to take such step as is necessary to settle it myself. Yours truly,

EARL BREWER,
Governor.

Things rocked along until in August, and finally Governor Brewer wrote to Messrs. Lusk and Waite and intimated that he would like to have their resignations, unless they could agree with the majority and work in harmony. They both resigned.

After this, Judge Robert B. Mayes was put on the board by Governor Brewer, and the appointment was a very fortunate one. He went to work in earnest to put everything on a better basis, and the service he rendered the State in that capacity is difficult to estimate. He was not able to make conditions good, but he made them better.

In the beginning, the new board increased the payroll by putting on it a number of people whose services were not necessary. At the time Mr. Turley was elected steward the salary of that position was One Hundred and Thirty-five dollars per month, with a house furnished in which to live, and three dollars a month allowed for car fare. After he had been there a few months the salary was raised to One Hundred and Fifty dollars per month, with the other allowances, and we searched in vain to find any record anywhere on the minutes where the board had raised his salary. The only record which we could find was the payroll, which showed he was getting One Hundred and Fifty dollars per month, instead of One Hundred and Thirty-five dollars.

It was found during our investigation in July and August, 1913, that Turley was drawing One Hundred and Fifty dollars per month salary, Three dollars a month car fare, Fifteen dollars a month commutation, which is allowed in lieu of a house, at the option of the steward, and that his wife and children, with whom he was not then living, were occupying the residence allowed him and milking two cows that belonged to the hospital. Besides that, Turley was sending milk and butter and ice, almost daily, to a lady friend of his.

These are only a few of the irregularities we found there. It would take a large book to contain them all. After securing all the information we could, we went before the grand jury, and, as a result, Turley was indicted on four counts; L. J. Kline, the dairyman, was indicted for selling a cow that belonged to the hospital; W. S. Hamilton, president of the Board of Trustees, was indicted on a charge of dealing in contracts with the hospital; E. W. Weathersby was indicted for being in the conspiracy, and Bob Hamilton was indicted on a charge of defrauding the State in the sale of stock to the steward. Also, W. A. Gaddis was indicted for dealing with the institution.

When the case of T. H. Turley was called in the Hinds County Circuit Court, Judge Henry granted him a change of venue and sent the case to Rankin county, where it was set for trial the following week. District Attorney Howie, of Jackson, tendered his services free of charge and went with us to Rankin county, although it was out of his district. Governor Brewer appointed Powell & Thompson to assist in the prosecution, and we employed W. J. East at Brandon to assist. Judge Dobbs, District Attorney Easterland, the court officials, and all the people of Brandon, were exceedingly kind and courteous to us. The case was heard and both sides ably represented. The result was a conviction, and a sentence of two years in the penitentiary. He was allowed to make bond, and his case was appealed to the Supreme Court, where it is now pending.

The case against W. S. Hamilton was nolle prossed on his agreement to resign; the case against Bob Hamilton was thrown out of court on a demurrer, a mere technicality, from which the District Attorney has appealed to the Supreme Court; W. A. Gaddis entered a plea of nolle contendere and was fined Three Hundred and Fifty dollars and resigned; the case against L. J. Kline was recently nolle prossed.

Covering the shortages, our accountant, Mr. R. G. Cranch, in his official report to us, points out the following:

First. A shortage of five or more cattle.

Second. A shortage of the proceeds from the sale of institution hides, given away by Steward Turley.

Third. A shortage of 28,693 or more pounds of beef within the last fiscal year; previous records lost or mislaid.

Fourth. A shortage of 3,175 or more pounds of pork within the last fiscal year; previous records lost or mislaid.

Fifth. A shortage through the sale of butter and eggs to employes at less than cost.

Sixth. A shortage in clothing and bedding, as shown by excessive amounts issued to wards.

Seventh. A shortage in clothing between the laundry and the wards.

Eighth. Coal shortages.

Ninth. Whiskey shortages.

Tenth. Fruit and vegetable shortages.

Eleventh. Losses through payment of incorrect or duplicate bills.

Twelfth. Losses through failure to take cash discounts.

Thirteenth. Losses through omissions and delays in charges to employes for merchandise purchased.

Fourteenth. Loss through payment for services never rendered.

One of the most serious losses pointed out by the accountant in the list given above, in our opinion, is the loss on coal. There had been considerable carelessness in the handling of the coal. It was bought on railroad weights and not reweighed. From the enormous amount paid for coal, we believe there was serious loss in weights and perhaps some petty selling of coal also. At the time we audited the books, amounts aggregating about Two Thousand dollars were in dispute between the hospital and the Morrison Coal Company, on account of careless bookkeeping. We suggested to the superintendent that it would be well to install railroad scales and reweigh all coal bought by the institution. The scales have been installed, and we have no doubt that the saving in weights will pay the price of the scales several times over in a single year.

It seems that when Mr. C. T. Beven, who was employed by

the Illinois Central Railroad Company, was appointed on the board he induced the trustees to discard the engine that had been used in transferring cars from the railroad over the asylum switch to the hospital; hence, the engine was loaned to a fertilizer factory, and a bill for several hundred dollars for switching cars has been charged up to the hospital. After we discovered these things the engine was repaired and put back on the track and is now hauling the freight from the main line to the hospital, and several hundred dollars a year is being saved thereby.

We made a full audit and investigation of the Canning Factory being operated in connection with the hospital, and found that during the two years it had been in operation it had sustained a net loss of $3,059.36, not counting interest on the investment of $10,343.74. We at once advised the Board of Trustees of this fact and the factory was ordered closed as a commercial proposition. While it has shown a clear loss we believe with proper management it would have been a paying business. Since our audit it has made some money. It could not be closed at once, as considerable amount of sweet potatoes had been contracted for, and we insisted that it should be operated until all contracts were fulfilled. We consider Mr. E. A. Smith, manager of the cannery, a competent man and had he been given the entire management could, in our opinion, have made some money out of the business.

The deep well that has been put in there is a great improvement and is working all right. Not only does it give better water in abundance but it, together with the large tank put up, gives good protection from fire.

The ice plant that was installed exceeded the appropriation for that purpose, and whether it was "economy in the end" to buy a plant of that capacity we are unable to say, but it seems to be working well, is a good plant, and will save money on the ice bill.

The farm, under the management of J. L. Singletary, made

a very good showing during the year 1913. His report makes the following showing for the 1913 crop:

Corn	5,019	bushels.
Hay	120	tons.
Pears	872	bushels.
Sweet Potatoes	5,414	bushels.
Irish Potatoes	80	bushels.
Oats	1,100	bushels.
Oats straw, baled	16	tons.
Molasses	875	gallons.
Watermelons	9,640	
Canteloupes	1,720	

Mr. Singletary worked ninteen mules on the farm. He did a great deal of patient labor. The institution owns about 1 300 acres of land, and the farm could be made to pay every year with good management.

We find the capacity of the present buildings inadequate to supply room for all the insane, and that in many counties of the State insane people are being kept in jails because there is not room for them in the hospital. We believe there should be some relief along this line, either by erecting more buildings at Jackson, or at Meridian. We find that some repairs are much needed on some of the buildings, and we call especial attention to the need of sanitary closets in all the wards.

We find that the supply of milk is wholly inadequate to supply the patients, and we believe this should be looked after, either by putting in more cows, or making satisfactory arrangements to buy a sufficient quantity of milk.

Doctor W. W. Smithson, the superintendent, is a man of splendid business capacity. He took charge of the hospital under adverse conditions and assumed a deficit of about $33,000. He at once reduced the payroll by discharging a number of figureheads who were not needed at the institution, and by good business management and close economy he has practically paid out the deficit, and also greatly improved conditions

at the hospital since our investigation. A number of people were discharged by him during our investigation, and the result has been an improvement.

When we first went there the patients were not being fed as well as they should have been—the food was not well cooked, and it had frequently happened that spoiled meat had been served to the inmates. The supper meal consisted of cold light bread and molasses, with a little very weak, luke-warm coffee. After the old cook was fired and a new one secured, and the old steward put out and a new one elected, conditions improved and the fare has been far better.

Great improvement has also been shown in the business system since our audit. A good record of the live stock is now being kept and a record of the store room, showing just how much clothing is sent to each ward, is being kept.

Mr. T. A. Downing, who succeeded Mr. Turley as steward, and is now holding that position, is a good business man and seems fully competent in every way to handle the business side of the institution; and we believe, also, that he is thoroughly honest.

We believe that our investigation of this institution has resulted in great good in saving much of the State's money and securing better treatment for that poor unfortunate class of people who must lean upon the charity of the State for life and protection.

We would suggest that as many members as can find time to do so, go to the hospital and look over the situation. Mr. W. B. King, the efficient bookkeeper, who came out of the turmoil untarnished, will be glad to show you his books and the improvements that have been made since we made the audit. Others there will be glad to show you over the premises and through the buildings.

Our accounting of this institution is on file, and we would suggest that committees passing on bills affecting the institution make use of that report for their information.

EAST MISSISSIPPI INSANE HOSPITAL.

Meridian, Mississippi.

Under the direction of your Committee, the affairs of the East Mississippi Insane Hospital, at Meridian, were carefully and fully checked by Accountant R. G. Cranch, covering the period from July 1, 1909, to September 30, 1913, inclusive, and it affords us pleasure to report to you that all cash accounts were accurately and clearly accounted for, the books of the hospital absolutely agreeing with books of the State treasurer, and with the records of banks in which deposits are maintained.

Before visiting this institution your Committee was informed of various and sundry phases of abuse and mismanagement on the part of those in authority with reference to the treatment of patients, the purchasing of supplies, etc., but, on their oaths, we found no one ready to fully substantiate these charges, so far as the present is concerned.

In times past, some of the trustees have sold the institution supplies in emergency cases, but the practice seems now to have been abandoned. In no case, however, does a criminal intent seem to have been involved in their transactions, and no prosecutions were by us ordered.

The present Board of Trustees buy all supplies of fifty dollars and up through the steward, on competitive bids, and there was no sale from the storeroom.

It is freely acknowledged by Doctor J. M. Buchanan, the very efficient superintendent, that occasional mistreatment of patients during his long and continuous administration has occurred; but he assures us that such conduct on the part of employes is not sanctioned or tolerated by him, and that immediate dismissal from the service invariably follows.

Patients at the East Mississippi Insane Hospital, unless all evidence deceived us, get plenty of well cooked, good, wholesome food, and physically they look as well as could reasonably

be expected, their mental condition and diseased bodies taken into consideration.

Land was purchased a few years ago for the establishment of a "farm colony," but soon thereafter it was cut in twain by a railroad, and it is not now deemed suitable for that purpose. This land, we are advised, can be advantageously sold, and other land better suited for the purpose purchased, which we are strongly convinced should be done. Farm and garden work is healthful and, therefore, very helpful to those of the institution who are able to work; and ample opportunity should be afforded for this kind of profitable exercise. Even under the present unafavorable conditions farm operations are fairly satisfactory. For instance, our accountant figures from the best obtainable information that from July 1, 1912, to July 1, 1913, the value of farm and garden products produced was $10,332.10, at a total cost of $7,394.00, or a net profit for one year of $2,938.10.

Fruit trees, we are sorry to say, do not seem to do well in that soil, and for that reason, and possibly for the further reason of lack of proper care, the orchard is practically valueless.

The Superintendent and Board of Trustees of the East Mississippi Insane Hospital are asking for two cottages to cost Twenty-five Thousand Dollars each; for a second story dining room, "Cottage E", Two Thousand Five Hundred Dollars, and a coal house, cement floor, etc, Two Thousand Dollars, all of which we commend to your consideration.

It is quite apparent that we must have more room for our insane. There is hardly a jail in the State but that has one or more adjudged insane persons incarcerated therein, and this condition should no longer be allowed to exist. The erection of these cottages will permit the entrance of many white patients from the jails throughout the State, and the transfer, if it is thought best, of many white patients from negro wards in the asylum at Jackson, thus making room for more negroes in the Jackson hospital, and preserving the hospital at Meridian for whites only.

While, as a rule, it is improbable, yet it is quite possible under our law for a sane person to be lodged in one of our insane hospitals; and imagine, if you can, how horrible it must be to be wrongfully committed to and forcibly detained in an insane hospital. While not posing as experts on mental diseases we believe we have found one or more cases of this character.

A number of years ago Mrs. Alice Shear, of Chicora, Miss., was committed to the East Mississippi Insane Hospital, and there she remained for seven long years. She protested from the beginning that she was the subject of a great wrong and wondered by what authority she was incarcerated. After her release she employed a detective and located her husband in a northern State, living in adultery with another woman. Both were arrested, she sued for a divorce and alimony and recovered both. There was never a jury inquisition as to her sanity, and she requested your Committee to look into the matter for her, which we did with pleasure. We found that Mrs. Shear was, as shown by the papers on file, regularly committed on affidavit of a supposed citizen and certificate of two physicians, as provided for by law, but we took the sworn testimony of the available physician, and he pronounced his signature a forgery, said that he had never seen the paper before, and, having known Mrs. Shear for a long time prior to her commitment to the asylum, as well as since, stated on his oath that he had never had the slightest cause to suspect her of insanity. Doctor Buchanan believed Mrs. Shear insane because she refused to eat when brought to the asylum, alleging that she was afraid of poison; but Mrs. Shear says the fact that she is alive proves that she did eat, but that she was so non-plussed, humiliated and mortified at her uncompanionable environment, that really death from starvation, or any other cause, would have been preferable. Your Committee believes that it was, in this case, a cold and deliberate plan on the part of the husband, who had already grossly wronged the wife, to put her out of the way, that his unholy lusts might be gratified. Mrs. Shear is a woman of grace and refinement, and has deserved much better at the hands of him who should have been her stay

and protection. We are of the opinion that the statute of limitations has run in this case; but somebody should be made to suffer for the wrongs inflicted, and we have laid the matter before the Honorable District Attorney of Lauderdale county. Conspirators of this character deserve and should be shown no mercy, if possible to apprehend them.

There are, perhaps, other cases, for other causes, similar to that of Mrs. Shear, and we believe our laws should be made as strong on this point as is possible to write them.

MATTYE HERSEE HOSPITAL,

Meridian, Mississippi.

This institution is located in East Mississippi, at Meridian, Lauderdale county. This hospital is owned by local philanthropists, and is supported in part by the State, upon condition that the town of Meridian and county of Lauderdale contribute two thousand dollars a year.

Considering the number of cases treated during the period of our investigation, this institution appears to have been well managed, and is administering with good results to the cause of charity, both in the vicinity where located and in other parts of the State.

Your attention is invited to certain irregularities listed in Exhibit IX. of our accountant's, Mr. Lewis E. Crook's report, and the practice of selling goods to this institution by certain officers connected therewith (especially in one instance, where a large portion of the groceries have been supplied by one of the Trustees.)

In the accountant's report are various matters of information, concerning the number of patients admitted, etc.

In our opinion, the room for patients in this institution

is inadequate, and some provision should be made for equipment, repairs, etc.

We heard no complaint against this institution, except the matters herein mentioned.

NATCHEZ HOSPITAL

Natchez, Mississippi.

The Natchez Hospital is located in the city of Natchez and is mainly supported by the State, while Adams county and the city of Natchez are obligated to contribute to its support. For years this hospital, in addition to treating many negroes, has done a great deal of charitable work for poor white people who were unable to pay for treatment, and who could not have afforded to pay for transportation to a hospital located at a distance, thus having benefited people to whom it is the chief desire of the legislature to render aid in maintaining such an institution.

The Committee met with the Board of Trustees of the hospital and discussed the affairs of the institution. This is one of the few boards of the State's institutions that has not violated the law prohibiting members dealing with the institution of which they are trustees, and against whom there is not the slightest charge or criticism; but their unselfish interest in the welfare of the hospital are characteristic of their acts in its management.

One of the problems confronting this institution is the large number of Louisiana charity patients cared for by it annually. Mississippi's charity patients have been cared for in such numbers by Louisiana and other States that it makes the situation rather delicate to handle. However, since the largest charity hospital in Louisiana has passed an order barring charity patients from other States, except in extreme cases, we think it well to pass a similar order with regard to the Natchez Hospital, excepting therefrom those Louisiana towns

and parishes who pay at the beginning of each year an amount large enough to cover the expenses of their charity patients, the amount in each case to be based on the records of the previous year. This would be a fair and equitable adjustment of the matter and, in addition, maintain the cordial relations between the two States.

Prior to 1912 the appropriation for the Natchez Hospital had been $25,000 per annum. The legislature in 1912 cut this annual appropriation to $22,500. This reduction has caused the hospital to be now carrying an overdraft of practically $5,000. The Committee thoroughly investigated the causes of this overdraft and weighed most carefully all of the facts in regard thereto, after which we are convinced that the overdraft was unavoidable, and the money expended was for the unfortunate poor and the cause of humanity. For that reason, we strongly recommend that the legislature appropriate an amount sufficient to pay this overdraft, on condition that the authorities never again overdraw without first obtaining the permission of a majority of the members of the legislature. And in order to avoid conditions requiring an overdraft, or cause some poor unfortunate people to suffer for lack of funds, we think that an institution of this size, which cares for as many patients as it does, should receive an appropriation of $25,000 for each year.

The main building is old and out of date, and the equipment is not modern, but the superintendent, Doctor Dicks, is making a great success with the hospital in spite of these facts. It would be somewhat difficult to bestow upon Doctor Dicks more praise than he deserves for the services he renders in this position. We file herewith the report of Auditor R. G. Cranch, which we comemnd to your consideration.

MISSISSIPPI STATE CHARITY HOSPITAL

Jackson, Mississippi.

The Mississippi State Charity Hospital is located in the city of Jackson, is a comparatively new institution, and fills a long-felt want.

An accounting of this institution was made by R. G. Cranch & Company, due report of which was certified to us on September 12, 1913, and we are pleased that all of the records were in the best of shape, and the books in balance. Accountant Cranch suggested a few changes in keeping the accounts of this institution, and we are informed that these suggested changes were immediately put in effect.

Doctor S. H. McLean, the efficient superintendent of this institution impresses your Committee that he is truly in love with his work, and that he knows how to do it. He is a very skilled surgeon, a practitioner of successful experience, and is full of energy. His sister, Miss Kathleen McLean, is his bookkeeper, and it would be hard, indeed, to find her superior in a like service.

The Mississippi State Charity Hospital is solely for the poor, except in cases of emergency, and every one who enters there for treatment, must certify that he, or she, is not able to pay. Doctor McLean tells us that only in a very few instances has this rule been broken, and that it has never been broken to the detriment of a charity patient. On one occasion he admitted a patient for a very urgent and serious surgical operation, keeping him there for a day or two, and charging him the sum of $150, $75 of which he afterwards donated to the patient on learning of his dissatisfaction in the matter. Doctor McLean says he realizes this was not in keeping with the statute, and he promises never to do so again, notwithstanding no harm resulted to the institution or to any of the patients therein.

At the time of our investigation of this institution there were being treated eighty-three patients, thirty-five of whom were white, and forty-eight negroes. Questioned, they told us they were tenderly nursed, and cared for in every way in a very agreeable and satisfactory manner.

We congratulate Mississippi upon the good management of our State Charity Hospital. This hospital will ask for a con-

siderable increase in appropriation this year. They will ask for a material increase in support, and will also ask that an annex be built, which will greatly enlarge the capacity for handling patients. It is a matter for the legislature to determine as to whether the annex shall be built.

The report of Accountant Cranch, which embraces the dates May 1, 1912, to August 31, 1913, is filed herewith, and we commend it to you for such other information as you may desire.

STATE CHARITY HOSPITAL AND CONFEDERATE ANNEX.

Vicksburg, Mississippi.

The Charity Hospital and Confederate Annex at Vicksburg are separate and distinct institutions, and each, in its place, is doing a good work.

We appropriated for this hospital for each of the years 1910, 1911, 1912 and 1913. the sum of $27,500; and we give $2,500 annually to the support of the Confederate Annex.

An accounting of these institutions was made and completed on October 9, 1913, by L. L. Blount and W. W. Cole, special auditors, and it affords your Committee pleasure to report to you that no discrepancies, errors or omissions of consequence were discovered by them.

Doctor B. B. Martin, the superintendent of the hospital, sustains an enviable reputation as a surgeon, not only in the State of Mississippi, but throughout the south and the nation as well, and we are fortunate, indeed, to have been able to secure his valuable services. Whether requiring medical attention or the surgeon's knife, patients in the Charity Hospital at Vicksburg. are well and skillfully cared for.

The hospital's available balances on August 13, 1913—

the audit covering the period from July 1, 1911, to August 31, 1913, inclusive—were:

From State appropriation	$ 8,529.92
From City of Vicksburg	2,000.00
From Warren County	2,000.00

Making a total with which to round out the year of $12,592.00

The hospital is neatly kept, inside and out, and all employees seem efficient and attentive in the discharge of their duties.

We visited the Confederate Annex and found everything in order. The old soldiers had plenty to eat and wear, and seemed reasonably satisfied with their surroundings. Of course, it is not exactly like **home** with some of them, but they are making the best of it, and are thankful.

KING'S DAUGHTERS' HOSPITAL AND TRAINING SCHOOL.

Gulfport, Mississippi.

The King's Daughters' Hospital and Training School at Gulfport is not a large institution but it has done a world of good for that section of the State. It is especially helpful to the sailors who come there from all parts of the world. They are often sick when landing and sometimes get hurt on the voyage, and it is well for us that we have a nice little hospital where they can go for treatment. This hospital is not owned by the State and, although the Governor appoints three trustees, the institution is not controlled by them, but is managed by a hospital board elected by the King's Daughters Circle. The King's Daughters' Hospital and Training School was chartered August 15, 1907, has no capital stock and, under the charter, is allowed to receive both pay and charity patients.

For some weeks before our visit to Gulfport there had been

some dissension among local authorities as to the management of the hospital. The trouble seemed to have originated over the feeling of some of the doctors that the head nurse or superintendent had shown some favoritism to certain doctors. The nurse who had been so accused, however, had resigned and left before our visit to the hospital, and we did not undertake to go back and ascertain the cause of the trouble, as it seemed to be settled and everything promised to move along smoothly after that. Excepting the little quarrel that had come up there, the hospital had been well managed, so far as we were able to ascertain, and, so far as we know it is being well managed now, although the management has been changed since we made our investigation.

Fifteen Thousand Dollars is the estimated value of the lot, building and equipment, and it is now out of debt, the last note having been paid on the 5th day of August, 1913. From July 1, 1912, to July 1, 1913, there were treated one hundred and eighty-four patients, sixty-four of whom were charity patients. The actual cost to the institution of treating these patients, as figured by our accountant, Mr. Lewis E. Crook, who checked the books, was $105.93 a month, or $1,267.11 for the year. Notwithstanding the fact that only this amount went to charity patients the institution received from the State the sum of $2,000, and from the county of Harrison and city of Gulfport $1,000, or a total of $3,000, all of which the law specified must be used for charity. It is evident, however, according to the figures of Mr. Crook, that the surplus was applied to paying off the indebtedness on the building and lot. We were not disposed to criticise this transaction harshly, however, as the payroll of the hosiptal is quite small, made possible by the attention and help given the institution by the good women of Gulfport, who gave freely of their time in the management that the payroll may be kept down. They use the head nurse as the superintendent, and save everything possible. Now, that the building and equipment is paid for and the institution out of debt, they will not need quite so much for charity work, unless it is their purpose to enlarge the work and make room for more patients.

The books and records of the hospital were not kept in a systematic way, but all funds collected had been properly accounted for, so far as our accountant was able to ascertain by the meager records kept .

We believe this hospital should be maintained, not alone for the people of that section, but that the sailors who come from the nations of the earth to our shores for merchandise may feel the soft hand of mercy and charity when sick in port.

The complete audit of this institution covering a period of over three years, from July 1, 1910, to October 1, 1913, is filed, and will give in proper detail all the facts and figures for the time named above.

INSTITUTE FOR THE BLIND.

Your Committee's investigation into the affairs of the Institute for the Blind was a positive pleasure from beginning to end. The records, in some instances, were a little crudely kept, as pointed out by our very efficient accountant, Mr. Lucius L. Blount, but there was absolutely nowhere to be seen the least sign of unwise or extravagant expenditures of money, or of graft, or cunning, or dishonesty.

Doctor Curry, the capable and beloved Superintendent of the Institute for the Blind, is a Christian gentleman, kind and devoted to those in his charge, and a citizen of noble purpose and worth.

We took no sworn testimony concerning this institution, for we had no cause to do so; but we did look carefully into all the buildings, and were amazed to find some of them so out of date, and the main building so really inconvenient and dangerous. In the basement of this main building is located the industrial departments—the work shop, mattress, broom factories etc., where much combustible materials are necessarily found in store. There is no place else for these work-

shops, and yet we know their danger. Should a fire occur at night, the general plan of the building being as it is, it is our judgment that it would be impossible to save the lives of all those precious children, and we shudder at the thought. Something must be done. Either we must erect an industrial building, disconnected from all others, or we must dispose of this entire splendid property, get out further, and erect a modern building suited in every way to the necessities. We recommend the latter. The present location of the Institute for the Blind is ideal for residences, and, put on the market for residence purposes, we believe would command a very satisfactory, if not fancy, price. Indeed, we believe this property can be sold for much more than enough to build and equip a modern structure, just as in the case of the Institution for the Deaf and Dumb a few years ago and the balance could, and would, of course, be covered into the State Treasury. The State already owns plenty of nearby land for this purpose, or, if it is thought best, we could hold the land now owned for other purposes, and authorize the Superintendent and Board of Trustees to purchase such other property as in their judgment would best answer the purpose. These suggestions are ours; they did not emanate from the Superintendent, or the Board of Trustees, but, since our mention of the plan to them, they are enthusiastic in its support.

Go see these buildings for yourselves, gentlemen of the legislature, talk with others about it, and see if you do not arrive at our conclusions. Let us arrange for the sale of these old and dangerous buildings and the building of a new and safe institution for the helpless blind of our State.

It would seem too, that as patriotic Mississippians, who have the power and the authority to do it, we should provide some plan, some way, whereby the youthful negro blind of our commonwealth might be cared for, and so educated that they would not be a charge upon society in their mature years. The properly trained and educated blind never beg, but become useful and self-supporting citizens. Regardless of color, therefore, we should extend a chance for usefulness and good

citizenship to every helpless blind boy and girl in our good State.

Think on these things, and let us get to them as men!

DEPARTMENT OF AGRICULTURE.

This Department is only seven years old, but in that short time has attained great prominence in the affairs of state. It was created for the benefit of the farmers, who constitute more than eight-tenths of the entire population of Mississippi.

A full and complete investigation of the Department was gone into and the funds were found intact and correctly handled. There were a few slight inaccuracies in the fertilizer registrations, but these were explained to the complete satisfaction of the Committee. Hon. H. E. Blakeslee and his assistants were willing and anxious to explain everything in connection with the work done.

We are glad to mention the fact that this Department did not use all of the funds appropriated for its use by the legislature, but will leave eight or nine thousand dollars in the State Treasury untouched. This is an evidence that the affairs have been handled in an economical manner.

The volume of business transacted in the Agricultural Department is much larger than is generally supposed, and is getting larger at a rapid rate. It is a complicated business that requires tact and ability to handle correctly; but our auditors reported that they could not make a suggestion that would improve upon the system adopted. and the bookkeeping used.

We would especially call attention to the rooms now used by this Department as being fearfully inadequate. They are scattered here and there, on three floors of the Capitol Building, where a little spare space can be found. with a large quantity of material stacked on the lower floor under the stairway. There is just need for better quarters for such an important department.

The State live stock work is really under the supervision of the Commissioner of Agriculture as chairman of the board, and we are in fairness compelled to say that good results have been shown during the past two years. We are gratified to know that one-half of the State has been ridded of the tick parasite and placed above the quarantine line.

The Commissioner of Agriculture has helped counties and districts in the work of road improvement since the office was made, although not charged by law with that duty. This has been one of the best works for the benefit of farmers that has been performed, and we believe that it is time for the State to encourage this movement in a substantial manner.

The feed and fertilizer laws were passed for the protection of the farmer, and our investigation reveals the fact that they have been effectively enforced. There is evidence of an economical handling of the matter in the investigation of the moneys appropriated for that purpose.

There is complaint at the quality of coal oil sold for illuminating purposes in the State; and we recommend that the Department of Agriculture be charged wit hthe duty of inspecting same. Our information is that Mississippi is the only State in the South without such a law, and it is possible that oil condemned in other states is sent here for use.

We commend the activity of the Commissioner in operating farm and live stock trains for the benefit of the farmers, and at such small expense to the State.

We endorse the establishment of a Bureau of Markets, to be under the supervision of the Agricultural Department. The farmers need nothing more than help at this particular time in finding markets for the crops they are able to produce. The

boll weevil has forced them to raise other things besides cotton, with inefficient methods of marketing.

We believe the wealth producer is the most important asset of the State and should be encouraged along the line of his activities and protected in proportion to the necessities of his avocation.

For information relating to receipts and disbursements, see accountant's reports.

DELTA EXPERIMENT STATION,

Stoneville, Mississippi.

Under the direction of Messrs. Owen, Ellis and Evans, Sub-Committee, the accounts of the Delta Experiment Station, located at Stoneville, were audited by the L. L. Blount Audit Company of Jackson. The period of this audit was from 1904, the date of its establishment, to June 30, 1913.

No books of record were kept by Assistant Director Fox during his administration of affairs at this station, other than what were kept by the Secretary of the A. & M. College; therefore, the accountants checked receipts and disbursements, which were found to correspond with the books as kept.

The accounts of Assistant Director C. B. Walker were in good condition, and moneys accounted for, except as noted in accountant's report, which, in our opinion, were due to errors and omissions.

An adequate system of bookkeeping was recommended and installed by our accountants for this station.

This station contains two hundred and fifty-nine acres of land, valued at $25,900, and personal property valued at $19,535. The land of this farm, being in what is known as the Mississippi Delta, is very fertile, and yields large crops, notwithstanding the losses incidental to experimental farming.

HOLLY SPRINGS BRANCH EXPERIMENT STATION.

Holly Springs, Mississippi.

Under the special direction of Committeeman Owen, the Holly Springs Branch Experiment Station was carefully checked by Mr. L. L. Blount, as special auditor of the L. L. Blount Audit Company, of Jackson, the audit embracing the dates July 1, 1911, to June 30, 1913.

This station is located within a mile of Holly Springs, in the northern section of the State, and its establishment and history is well known to members of the legislature. Mr. C. T. Ames is, and has been for years, in charge of the Holly Springs Branch Experiment Station, as assistant director, and Mississippi has not a better man for the place than he is. He is not only careful and full of energy, but he **knows how**, and he is **bringing things to pass** in his experimentations.

Not a shadow of fraud or graft was discovered in the audit of this station, though it was found that a few hundred dollars was due it on account of dairy sales, steps for the collection of which were immediately taken.

A better and more complete system of bookkeeping was recommended by Auditor Blount, and immediately installed by Director Ames.

For a further and more detailed report of the Holly Springs Branch Experiment Station, we refer you to the Auditor's report, which is filed herewith and made a part hereof.

MISSISSIPPI AGRICULTURAL & MECHANICAL COLLEGE

Starkville, Mississippi.

The Mississippi Agricultural and Mechanical College, founded in 1880, and located near Starkville, in Oktibbeha county, is without doubt, the greatest school of its kind in the entire south, and its influence and benefits in educational citizenship belts the globe.

Under the direction of your committee a thorough audit of this great institution was made by Accountant Lewis E. Crook, covering a period of two years, July 1, 1911 to June 30, 1913, inclusive, and this audit, we are proud to say, disclosed no evidence of fraud or embezzlement, though, very naturally, there were discovered some errors and irregularities, many of which have been satisfactorily explained away by President Hightower, and others, when it is considered that seventy department accounts are carried on ledgers in the secretary's office, and that these ledger accounts are supported by more than fifty thousand vouchers for the period covered by the audit, and that every one of these vouchers were scrutinized and checked by Mr. Crook, the immensity of his work may, in a measure, be comprehended.

The volume of receipts for the biennial period is staggering, to-wit: $1,312,853.40, exclusive of $122,855.67 for fertilizer tags, which really makes a grand total of $1,435,709.07, to say nothing of the direct remittances to the state treasury from the three branch Agricultural Experiment Stations. As to actual cash handled, however, our accountant directs our attention to the fact that these figures are misleading, on account of journal entries or transfers of charges and credits for service from one department to another appearing in same column with cash items on cash book, a practice to be, if not already, corrected.

Receipts for actual cash for the years 1912-1913, however, were:

State appropriations	$238,771.18
Federal appropriations	67,163.02
Students, less student labor	111,323.52
Departments (estimated)	30,000.00
Total	$447,257.72

Many of the several and distinct departments of this institution receive money for their products from other sources than students, and all of this money is supposed to be turned into the secretary's office immediately upon its receipt. We do not doubt that this is done, though very few of these distinctive departments were ever audited before.

In 1910, $876.42 was lost to the institution from the dairy department on account credit sales and general bad business management. We are convinced, also, that even now students are charged for dairy products more than their cost of production, and we do not believe that should be so.

The Agricultural Experiment Station, superintended by Professor E. R. Loyd, is entirely sustained by Federal appropriation, and was not checked by Mr. Crook for the reason that it is regularly audited by Federal authorities. However, your Committee looked thoroughly into the affairs of this station, and we are pleased with all we saw there.

Since the legislative session of 1912, consent has been given by a majority of legislators, and splendid concrete walks have been built. This was a very much needed improvement and adds incalculably to the comfort, convenience and appearance of the college campus.

The secretary and his clerical force are, without doubt, capable and efficient. The secretary is under a Ten Thousand Dollar bond, and he also holds the cashier responsible under a Two Thousand Dollar bond. The college depositories, to-wit: Merchants and Farmers Bank, Security State Bank and the People's Saving Bank, all of Starkville, are also substantially

bonded. This would seem wise, and we give it our unqualified commendation.

The fees charged students of the A. & M. college do not, on their face, seem arbitrary, unjust or exorbitant; yet, we find an accumulation on this account on July 1, 1913, of $8,316.63. This, you will understand, is the accumulation of years, and is, perhaps, not only not unwise but commendable, in that cash purchases of necessaries may always be made without extra or special assessments.

The student enrollment for the session of 1911-1912 was 1,219, with an average attendance of 851. The enrollment for the session of 1912-1913 was 1,150 with an average attendance of 711—a slight falling off in both the enrollment and average attendance.

The average cost per month to students for the session of 1911-1912 was:

Board	$ 7.23
Laundry	1.25
Heat, water and light	1.34
Or a total of	$ 9.82

On the same account for 1912-1913:

Board	$ 8.18
Laundry	1.25
Heat, water and light	1.24
Or a total of	$10.67

an advance of eighty-five cents per month, chargeable to the fact that better food was served and better service rendered.

The total permanent improvements for 1911-1912 were $56 221.76; and for 1912-1913, $45,648.04—a total for the two years of $101,869.80.

A corrected summary of the itemized inventories of the property of the college on June 30, 1913, totals as follows:

Farm and grounds, buildings, libraries, apparatus, machinery, furniture, live stock, miscellaneous equipment, etc.	$1,149,580.68
For the experiment station; buildings, library, apparatus, machinery, furniture, live stock, miscellaneous equipment, etc.	78,054.35
For McNeil Branch Experiment Station	29,106.86
For Holly Springs Branch Experiment Station	29,216.80
For Delta Branch Experiment Station	39,534.00
A grand total of	$1,325,492.69

There seems to be but little interest manifested in the Textile Department, and we are informed that without a very much larger appropriation out of which to pay student labor we might as well abandon this phase of education at the college. It is the judgment of your committee that it would not be wise to undertake to maintain this department if we shall have to pay salaries to those who might be induced to take up that study. If it is thought wise or deemed expedient to abandon this class of instruction, the Textile Building, which is a magnificent one, might be converted at small cost into a dormitory, or for some other purpose, as needed.

The college store room, which was never really intended to be used as such, is totally inadequate in every way for the purposes for which it is needed, and should be given over to other purposes. We recommend, therefore, the erection along the right of way of the spur track, of a substantial brick store house for the accommodation of the college, to cost not exceeding Five Thousand Dollars. This amount of money should, and will, if wisely spent, erect a building in every way suited to the necessities.

Honorable George R. Hightower, president of the Mississippi Agricultural and Mechanical College since the summer of 1912, impresses your Committee most favorably as a man of executive and administrative ability, and we express the hope and cherish the expectancy that the institution shall greatly grow in usefulness under his wise and painstaking administration.

A copy of our accounting is filed herewith, to which we refer you for further information concerning this college.

GEOLOGICAL SURVEY.

The department of the Geological Survey, Doctor E. N. Lowe, director, was checked by Auditor Lewis E. Crook, the audit embracing the dates February 1, 1909, to December 10, 1913 inclusive.

The State appropriations for the department have been:

For 1908	$3,000
For 1909	3,000
For 1910	6,000
For 1911	6,000
For 1912	4,750
For 1913	4,750

and a careful check of every voucher discloses the fact that very few errors were made. In fact, on a reconciliation of these small errors, on under and over-payments, less than one dollar is left to the credit of the under-paid column for the full five years, which is, indeed, a remarkable record. The only other errors discovered were one dollar in the footings of the 1911 disbursements on the auditor's ledger, and a certain four dollar warrant was passed to the wrong fund in 1913, both of which have been corrected.

Our accountant reports to us that the authority for all these disbursements caused him less trouble than in any other department he had investigated, a compliment within itself to the department of the Geological Survey.

STATE SUPERINTENDENT OF EDUCATION.

The office of State Superintendent of Education, Honorable J. N. Powers, superintendent, was audited under our direction by Mr. Lewis E. Crook, covering the following periods, to-wit:

Summer Normal fund from August 1, 1907, to December 31, 1913.

Traveling expenses of superintendent, 1910 through 1913.
Text Book Commission for 1910.
School Improvement Association for 1912-1913.

For the periods of accounting covered the receipts for the Summer Normal fund show:

From appropriations	$31,565.79
From fees and interest	14,185.06
Making a total received of	$45,750.85
Disbursements from this fund have been	45,097.15
Leaving a balance unexpended of	$. 653.72
Appropriations for traveling expenses for the years 1910-1913 were	$ 2,200.00
And expenditures have been	2,197.88
Leaving to the credit of this account an unexpended balance of	$ 2.12
The legislature of 1910 appropriated for the use of the Text Book Commission	$ 2,000.00
And it appears that there has been expended	1,828.25
Thus leaving to the credit of this fund	$ 171.75

For traveling expenses of State Organizer School Improvement Association, we appropriated in 1912 the sum of $1,200, $600 of which was used by Miss Susie V. Powell in 1912, and up to December 1, 1913, she had expended for that year $517.92, leaving a then balance of $82.08.

Good work has unquestionably been accomplished by this association and Miss Powell is certainly a very superior woman for the position she occupies.

The Department of Education sustains, perhaps, a closer relation to the great body of the citizenship of our State than any other department of State government, and should

be amply cared for by us. Mr. Powers, the superintendent, is eminently qualified, in head and heart, for a discharge of the official duties that devolve upon him, and under his valued administration we are making rapid strides educationally.

Let strictest economy be practiced, but if we are to be really liberal toward any interest of the State, let it be toward that of the Department of Education.

ATTORNEY GENERAL.

The office of Honorable Ross A. Collins, Attorney General for the State of Mississippi, was audited by Mr. Lewis E. Crook, covering the period from the beginning of his term of office up to and including December 29, 1913, and all vouchers for the disbursements of appropriations were found to be correct and in good shape. except for a few slight discrepencies in cases of items supporting warrants, which were some times a little in excess, and some times a little less than shown on face of the warrant. However, on the whole, and after a reconciliation of all these discrepencies, it was found that the attorney general has advanced the sum of $77.44, the appropriations having been expended, this $77.44 having been advanced in excess of the amounts, withdrawn from the treasury.

During his incumbency in office as Attorney General, Mr. Collins has instituted in the proper courts numerous suits of importance and far-reaching effect, a favorable determination of which will mean much to the people of Mississippi, and we congratulate our State upon having a man as our chief law officer who is so really alive to the interests of the people rather than those of the special interests, a man who, without fear or favor, stands for the law as he understands it to be written upon our statute books.

A full accounting of this office is filed with this report

and made a part hereof, and we commend it to you for such information and consideration as, in your judgment, it may rightfully demand.

THE MISSISSIPPI OYSTER COMMISSION.

Gulfport, Mississippi.

The books and records of the Oyster Commission were checked up by Lewis E. Crook, and the check covered a period of two years from September 1, 1911 to September 1, 1913. The books were found to be in good shape and all expenditures supported by proper vouchers on file. Concerning the expenditure of funds the accountant says:

"This board has been self-sustaining in that it had unexpended balances over and above operations in the sum of $36.28 and $229.31 on September 1, 1912, and September 1, 1913, respectively, without receiving any appropriation from the State."

The record shows that from September 1, 1911, to September 1, 1912, the commission collected revenue on 224 010 barrels of oysters at 3c a barrel, $6,720.43; and from September 1, 1912, to September 1, 1913, the same on 323,380 barrels at 3c a barrel, making $9,701.14. Other revenues, such as licenses from boats and shippers and canners brought the totals to $9,899.43 for the year ending September 1, 1912, and $10,-985.77 for the year ending September 1, 1913.

The secretary of the commission, Mr. F. S. Hughes, Jr., is a very competent man, and seems to give close attention to his business. Great improvement has been made in the oyster reefs within the past few years, and much that was formarly barren territory is now yielding good crops of oysters. The commissioners think it would be well to lease the barren waters to individuals for a term of years and require them to plant and cultivate the reefs and take all the chances for success or failure. It is our opinion, however, that this is a matter that the

legislature should handle with great care, and if the leases are granted, be sure that the contracts are so safe-guarded that it will not permit a few large owners of boats, or a few men of large means, to monopolize the oyster business to the detriment of the small fisher who makes his living with skiff and tongs. In deciding this question of leasing, it is simply to decide the question of whether the State will plant the barren lands and keep the reefs open to all, or will concede that right to a few individuals who will be required to plant the reefs without expense to the State and then be given the ownership of the reefs they plant for a term of years, to be set out in a contract, at the end of which the reefs so planted would revert to the State and become the common property of all. It is simply to decide the policy of the State, and should be given careful consideration.

JUDGE PAUL B. JOHNSON.

Charges were filed with the Committee against Judge Paul B. Johnson of the ~~Tenth~~ 12 Circuit Court District, who resides in the city of Hattiesburg. It was charged that he had been partial in his rulings, unfair, tyrannical, and abusive; that he had used the prestige of his position to advance his own interests and the interests of others friendly to him, etc. As soon as Judge Johnson was apprised of the fact that charges had been filed against him he immediately asked for a full and complete hearing, and we arranged to go to Hattiesburg, and at his request we held the hearing at the court house, with the doors open to all who cared to attend. Public announcement was made in the outset that all who knew anything against Judge Johnson, or could in any way give evidence to establish the charges against him, would be accorded a hearing. We examined more than a hundred and twenty-five represenative citizens of his district, consisting of people from every walk of life. We put all witnesses under oath, and inquired as closely as possible into all the charges that had been made against him.

We found that he had been intemperate in the use of words in charging some of his juries, and that he had been indiscreet in a few transactions, but we were utterly unable to establish by sworn testimony that he had been corrupt, unjust or tyrannical as a judge, or that he had been immoral as a man. We failed, therefore, to find anything upon which to base a charge against him before the legislature, and he was so notified within two days after our hearing was closed.

It appeared that he had rigidly enforced the law against blind tigers and other characters of crime in his district, and we really found much in Judge Johnson to admire, and much in his administration to commend.

MISSISSIPPI STATE NORMAL COLLEGE.

Hattiesburg, Mississippi.

It so happened that the Mississippi State Normal College at Hattiesburg, had been checked fully by Lewis E. Crook just before we began our work and he found everything to be in good shape. The college having been checked by Mr. Crook, who was afterwards employed by the committee, we felt that it would be useless to check it again. Mr. Crook loaned us his file copy of the check he made of the college and went over it with us, and we were fully satisfied that it was all right. The Committee as a whole did not visit the Normal, but a sub-committee en route to McNeil stopped off there and made some inspections and found everything to be in fine condition. The Normal College, in our opinion, is filling a long felt want in this State, and is doing splendid work under the presidency of Professor Joe Cook, one of the ablest educators in the South. Associated with him is a faculty of consecrated and able teachers and back of him is the "Hattiesburg Sentiment," which is indeed a fine support. The people of Hattiesburg and Forrest county have been exceedingly liberal in their donations to this splendid institution, having presented to the State buildings and grounds worth more than a quarter of million dollars.

The cost of attending the college is very reasonable; the only fee is five dollars for matriculation, and the board on the co-operative plan averaged about $8.32 for the first year. They will ask for some new buildings and improvements. Whether they shall be given the additional room and new buildings must be decided by the legislature in declaring its policy as to whether this character of education will be supplied to all who will take it, or whether the college will be limited in capacity for at least a few years. The Mississippi Normal College is designed especially to prepare teachers for the rural schools of the State. A complete copy of Mr. Crook's report on this institution will be found in the report of the trustees to the legislature.

DEAF AND DUMB INSTITUTE.

Jackson, Mississippi.

The accountants employed by the Investigating Committee to audit the books and accounts of the Institute for the Deaf and Dumb spent an unusually long time on this work, and filed a very elaborate report, not all of the narrative part of which the Committee adopts as a part of our report, but the same is filed for your consideration.

Regarding this institution, there have been many rumors and charges of grave irregularities, which have been aimed especially at the superintendent, Doctor J. R. Dobyns. Because of this the Committee was unusually careful and thorough in its investigation, and exerted every possible effort to obtain sworn testimony in support of these charges. It was our pleasure to have before us Representative S. M. Mackay, of Warren county, who had spent some time in investigating the affairs of this institution. He told of the alleged extravagance of the superintendent, and alleged useless expenditure of money. While the Committee endorses giving the inmates of this institution high grade food and plenty of it, we strongly condemn anything like reckless extravagance in the expenditure of the State's funds.

We also had before the Committee two former inmates of the institution, who were exceedingly anxious to inform the committee of the alleged grave irregularities and gross wrongs of which Doctor Dobyns is alleged to have been guilty. Their dislike for him is intense, but, regarding anything of which the Committee might base charges, their testimony was largely hearsay and not specific. Every rumor of misconduct in the management of the Deaf and Dumb Institute was run down by the Committee, none of which developed anything tangible.

The Committee made a number of visits to the Institute and carefully inspected the entire property. We found the buildings to be clean and well kept and they, together with their furnishings and equipment, are thoroughly modern, and everything seemed to indicate that the school is progressive. The kitchen, which was given to the school by Mr. Furlong, of New York, cost $5,000, and is a model of cleanliness, convenience, and in equipment.

The equipment for fire protection is hardly adequate, and more fire escapes should be built. The interior of the buildings should be better equipped for preventing fire. This recommendation in an institution of this kind, where afflicted children are cared for, cannot be too strongly emphasized.

The building for negro inmates was inspected, and the Committee found that some minor repairs on the same are necessary.

So far as it was in the power of this Committee to ascertain, the general condition of this institution is good, and the impression made upon the Committee is favorable to the present management.

THE STATE LIBRARY.

Jackson, Mississippi.

The State Library was found by the Committee to be in good condition, and we have been able to hear nothing but

commendation for its efficient management. In none of our State departments or institutions is efficiency more characteristic of the work done than in the State Library.

The accountant spent several days in checking the funds handled by the State Librarian, and he found that the funds of the State had been carefully handled and all expenditures were satisfactorily cared for. An inventory of the books of the library has not been taken for fourteen years. The Committee thinks this should be done every few years.

The office of State Librarian was audited by Auditor R. G. Cranch, from whose report we quote: "We found an apparent overcharge of $13.25 in a bill for an encyclopedia." The Committee investigated this matter thoroughly, and to us the accounts and voucher very plainly show that there was not such an overcharge, nor did the State Librarian make an overpayment for that, or any other amount on this item. This being the only alleged error of any importance charged against the accuracy of the books of the librarian, we feel that it is our duty to fully acquit her of the same.

SECRETARY OF BOARD OF TRUSTEES OF HIGHER EDUCATIONAL INSTITUTIONS.

O. F. Lawrence, Secretary.

The present Board of Trustees of our Higher Educational Institutions assumed their control on March 27, 1912, and until May 22, 1912, the expenses incurred by the board and its secretary, Mr. O. F. Lawrence, were paid direct by the various colleges, according to the benefits so derived.

Our audit of the secretary's books embraces the dates, May 22, 1912, to December 31, 1913, and every voucher was found to be properly supported. In his narrative report, Mr. Crook, our accountant, says: "You will note under the head of trustees' expenses, that Governor Brewer, Lieutenant Governor Bil-

bo and Superintendent Powers were not paid any per diem, and, during my investigation of the educational institutions, I recall where in one or two instances the amount of per diem was tendered to both Governor Brewer and Superintendent Powers, but was declined."

And, further, our accountant says: "O. F. Lawrence, secretary, was paid a salary of $125.00 per month, plus expenses and per diem as trustee, from March 27, to June 27, 1912; also in some instances drew expenses for an assistant. After June 27, the salary was increased to $150 per month and expenses, without per diem. While exhibit shows no salary drawn since September, 1913, the secretary made check on January 1, 1914, of $450.00 for the months of October, November and December, 1913," said amount not being included in his report, as his investigation period ended December 31, 1913.

Further speaking along this line, Mr. Crook says: "In this connection it occurs to me that the salary of $150.00 per month and expenses is excessive for the services rendered, and, in my opinion should have your consideration."

Your committee coincides with the views of our accountant on this subject and are strongly of the opinion that the office of secretary to the board of higher educational institutions should receive a salary not to exceed the sum of six hundred dollars per annum and expenses.

Mr. Lawrence, the present efficient secretary, is a good and honorable man, and we have only words of commendation for him and his work, but we believe he is greatly overpaid for what he does.

Our accountant points out to us that expenditures were "reasonable with the exception of a charge of three cents per mile for all trips, when mileage books should have been used, and no doubt were," and we emphasize his exception. No State official or member of a committee or board, who has to travel extensively, should charge in his expense account against the

State three cents a mile as railroad fare when he can just as easily travel for two cents a mile, and we hope that hereafter we may have no trouble along this line.

The board's receipts from May 22, 1912, to December 31, 1913, were:

From University of Mississippi	$1,350.00
From A. & M. College	1,350.00
From I. I. & C.	1,375.00
From Alcorn A. & M. College	825.00
Total	$4,900.00

And their disbursements were:

Trustees' expenses	$ 847.75
Trustees' per diem	705.00
Miscellaneous expenses	292.62
O. F. Lawrence's salary	2,831.00
Total	$4,676.37

For further information as to the books of the secretary of this board we refer you to the audit which is herewith filed.

DEPARTMENT OF ARCHIVES AND HISTORY.

Jackson, Mississippi.

The audit of the department of Archives and History was made for us by Lewis E. Crook, and embraces the dates April 18, 1910, to December 22, 1913. Appropriations and loans for this department for the period of the audit were:

Maintenance fund for 1910	$ 3,000.00
Maintenance fund for 1911	3,000.00
Traveling expense fund for 1910	500.00
Traveling expense fund for 1911	500.00
Preparing, editing, printing, distributing publishing 1910	1,200.00

Preparing, editing, printing, distributing publishing 1911	1,200.00
Maintenance loan of June 8, 1912	5,500.00
Maintenance loan of February 7, 1913	5,500.00
Total	$20,400.00

And the disbursements were:

Maintenance, 1910	$ 3,000.00
Maintenance, 1911	2,994.28
Traveling expenses, 1910	500.00
Traveling expenses, 1911	461.77
Preparing and distributing publications, etc., for 1910	1,200 00
Preparing and distributing publications, etc., for 1911	1,198.25
Loan of June 8, 1912, and February 7, 1913	10,035.33
Total	$19,389.63

Leaving unexpended balances:

Maintenance fund, 1911	$ 5.72
Traveling expense fund, 1911	38.23
Preparing and distributing publications, etc., 1911	1.75
Balance in bank December 22, 1913	982.17
Check outstanding, Fred Allen	17.50
Total	$ 1,010.37

Commenting on his audit, Mr. Crook says: "I regret to state that some of the vouchers are not properly supported * * * Although the explanation of these matters by Doctor Rowland, the director, was satisfactory." And again he says: "From my investigation and observations I believe the funds have been honestly and judiciously expended."

The warrants listed as not properly supported are as follows:

Nov. 14, 1910, warrant, Dunbar Rowland, one gold leaf portrait frame	$ 35.00
Feb. 8, 1911, warrant No. 1661, Dunbar Rowland, classifying Davis papers	25.00

March 8, 1911, warrant 1978, Dunbar Rowland, cash paid for expense		25.00
July 2, 1911, warrant No. 3540, Southern Express Company, accounts foot $1.85, overpaid		3.00
December 4, 1911, warrant No. 1207 and No. 1208, Dunbar Rowland, "allowance per minutes	$306.54	
	293.46	600.00
Dec. 12, 1911. warrant No. 1188, Brandon Printing Co., "Publications"		593.46
Dec. 1, 1913, warrant No. 122, Everett Moore, stenographer—deposited in the bank to the credit of Dunbar Rowland		75 00

Your Committee believes Doctor Rowland pre-eminently qualified for the office of director of the Department of Archives and History, and bespeaks for this department the continued care of our legislature.

THE SUPREME COURT.

The appropriations made by the State to the Supreme Court were audited, and in the disbursement of the same a number of clerical errors were discovered. A number of overpayments were found to have been made, and the clerk on being informed of the same assured the accountant that the sum of $90.50 would be collected.

The Committee has had under consideration the number of Mississippi reports that are published. At present, with each volume, four hundred copies are published, many of which are stored away and not used. The Committee are of the opinion that the number of copies published at the State's expense could be reduced, and still have ample to supply the public needs.

MISSISSIPPI RAILROAD COMMISSION.

The funds received and expended by the Mississippi Railroad Commission for the years 1912 and 1913 were audited by Mr. Lewis E. Crook, who made a flattering report on this office. He found the records to be correctly kept, and heartily approved of the method employed by this office.

The Committee believes that the credit for such a splendid report on the Railroad Commission is due to their conscientious and efficient secretary, Mr. James Galceran.

The report of Mr. Crook is herewith filed for your further consideration.

ALCORN A. & M. COLLEGE.

The Alcorn Agricultural and Mechanical College is located nine miles west of Lorman, a station on the Yazoo & Mississippi Valley railroad, and five miles east of the old town of Rodney. The greater part of the campus is in Clairborne county, while a smaller area is in Jefferson county. The college owns about nine hundred acres of land, which as a farm we found to be well cared for and cultivated.

During the past year this institution suffered the loss of their dining hall and laundry through fire. Of course, these buildings were among the necessities of the college, and the Committee recommends the rebuilding of them. Another problem confronting this institution was the use of Federal funds for purposes for which State funds should have been used, which amounted to over $5.000. This was done during the administration of the previous board of trustees and the secretary preceding Mr. McClure, the present secretary.

The Committee is informed that the government's demand that this amount be transferred to the Federal funds by the State is very urgent and the Federal authorities have threat-

cned to withdraw Federal support of our agricultural colleges unless it is done.

The visit of the Committee to this institution revealed a condition of affairs that far exceeded our expectations. For such an institution the location is ideal. It is away from bad influences of town life which would naturally have their effect on the students of such an institution. We believe it is unfortunate that this institution and its work is not better known to the people of Mississippi.

On the farm we found good crops, which showed through cultivation and in addition to agriculture and truck raising we would be glad to see this institution place more emphasis on raising cattle, hogs, and other live stock.

In conclusion the Committee desires to commend the secretary of the college, Mr. James McClure, for his efficient work and intelligent supervision of the financial affairs of the institution.

CONFEDERATE SOLDIERS' HOME.

Beauvoir, Mississippi.

The Confederate Soldiers' Home at Beauvoir, was checked by Lewis E. Crook, and we visited that institution in October. The period of time covered by the audit of Mr. Crook was two years, beginning October 1, 1911, and ending October 1, 1913. From his narrative report to the Committee we quote the following:

"I find that for a number of years no books or records have been kept as to the funds received or disbursed, but the method employed is to list the accounts each month for presentation to the board of trustees and when same is approved a warrant for the amount is drawn on the state treasurer and deposited in the Bank of Commerce, Gulfport, Miss., subject to check by Superintendent J. K. Mosby.

"While the minutes show that the board has exercised due care in the allowance of the monthly accounts, and the allowances agree with the withdrawals from the state treasurer, yet the trouble arises in the checking by the superintendent on the Gulfport bank in the payment of bills, in that he keeps no books or accounts against the bank, and never reconciles or balances his bank account.

"We have carefully checked all the vouchers during my period of audit and found same correct and duly authorized and I beg to submit a condensed statement of all receipts and disbursements as to the State appropriations supported by various schedules, which are detailed and self-explanatory.

"In addition to the regular monthly accounts allowed by the board it has been the custom for a long period to advance the sum of $1,000.00 to the superintendent to meet contingent expenses, such as salaries, labor, small purchases of fish, vegetables, produce, etc., to be approved by the board the month following. In tracing this $1,000.00 advanced up to date I discovered a deficit of $582.13, in that only $360.15 had been drawn for contingent expenses during the current month, and there was a credit balance of only $57.72 in bank, when there should have been the sum of $639 85 on hand. It is evident that most of this deficit has existed for some time as the bank account shows an overdraft at end of each month, which should not have been the case as ample funds were provided for monthly contingents.

"After a careful investigation I was unable to locate any bills or offsets to this deficit as there are no records of same, and after thoroughly going over the matter with Superintendent Mosby, he immediately deposited enough to cover the shortage."

It is the opinion of your Committee that the shortage discovered by Mr. Crook in the accounts of Captain Mosby was because of errors and the lax manner in which he attends to business matters, and that he did not profit, or intend to profit,

by the expenditure of any funds belonging to the Home. He immediately made every dollar of the shortage good, and believing that he did not intend to defraud the State, and that the State had lost nothing in the end, we felt that the matter had been fully satisfied; yet, we consider it our duty to bring to your attention in a full statement of facts as set out above. After Mr. Crook had settled with Captain Mosby, he made the following observation in his report:

"In the above settlement with Superintendent J. K. Mosby, it is understood that if he finds any contingent accounts which he has paid, and has not been allowed credit by the board, he is to be refunded for same. It is his custom to draw cash from the bank in the sums of $50.00 to $100.00 to pay for contingent bills and as no book is kept for these disbursements, I feel satisfied that he has paid various small items, which have never been presented to the board for allowance, yet with no data before me it is impossible to determine as to this. The deficit has been gradually increasing for the last two years, and it is evident that small sums of money have been expended monthly for which no accounting has been made. This shortage, in my opinion is due to the lax and loose manner of handling cash and not with any intent to defraud."

M'GLADDERY FUND.

We found on the minute book under date of October 1, 1910, that Mr. Henry McGladdery had left to the Home a donation in cash amounting to $735.00. There is no record of this fund in the office of the superintendent or secretary, except the reference in the minute book mentioned above, but we found the fund on deposit in the Harrison County Bank at Biloxi, with time certificate No. 53 issued in favor of T. R. Henderson Chairman Ex. Com. Board of Directors, and that the interest accumulated to October 1, 1913, brings the total to $822.70. This money is drawing four per cent. interest, and is subject to the disposition of the board of trustees. It appears

that Mr. McGladdery was an inmate of the Home, and before his death donated the above sum of money which he happened to possess.

We find that no competitive bids are received when buying groceries for the Home, and that most of the provisions are bought from the Gulfport Grocery Company and Armour & Company, the total amounting to around One Thousand Dollars a month. Whether better prices could be secured by advertising we are not prepared to say, but ordinarily such is the case.

Aside from the error in his accounts we found Captain Mosby to be efficient and diligent in his duties. He is kind and considerate to the inmates of the Home and seems to strive in every way to make them comfortable and happy. He is paid a salary of $75.00 per month and furnished a home and subsistence. Mrs. Wallace, the efficient matron, receives a salary of $65.00 a month, with home and subsistence; and the Head Nurse, Mrs. M. C. Ansley, is paid $55.00 a month with home and subsistence; Doctor H. M. Folkes, of Biloxi, is Surgeon, and receives $75.00 a month for all practice and is subject to call at any hour of the day. He is very attentive to his duties there and a very efficient doctor.

The average number of inmates from October 1, 1912, to October 1, 1913, according to the pension roll, was 198, and the average cost per capita for that year was $224 60. We went into almost all of the rooms and closely questioned many of the inmates as to their treatment and the manner in which they were provided for, and urged them privately to tell us their complaints and wants, if they had any, and almost without exception they expressed themselves as being well pleased, and said they were kindly treated and amply provided for, had comfortable rooms, good beds and plenty of clothes. We found a few that had some minor complaints, but when run down they were not well founded. If there has been any mismanagement of the affairs there we were unable to find it, and the inmates did not make it known to us, and they fully understood our mission and purpose in being there. We have found

a few cases of complaint outside of the Home, where inmates had been discharged on account of violating the rules; and without regard to whether the Board was right or wrong in these cases, we believe that great care should be exercised in this regard and that the indiscretions of these old people should be, as far as possible, covered with the mantle of charity.

We believe that a small farm, properly managed and operated on a safe basis would provide a good portion of the table fare and somewhat reduce the cost of living in the Home. Land owned by the Home could be thus used. The property on which the Home is located does not belong to the State, but is deeded to the Sons of Confederate Veterans. We believe, however, that the property should be owned by the State, and would suggest that steps be taken to secure the transfer, that this sacred spot may become the common heritage of Mississippi.

We were informed that some applications were on file and had been approved, but there was no room for them on account of all rooms being occupied. We found that the Hospital is rather crowded at times, and as the inmates grow older and more feeble, more room will be needed in the Hospital, that they may be comfortably cared for when sick. Some repairs are needed on the buildings but the general conditions of the buildings are good.

MISSISSIPPI NATIONAL GUARD.

Jackson, Mississippi.

The Mississippi National Guard was checked by our accountant, Mr. Lewis E. Crook, and the time covered by his audit was from December 23 1911, to November 15, 1913. He also checked back over the year 1911. From Mr. Crook's narrative report to the Committee, we quote the following:

"I regret to state that I find the condition of the office

in a 'pretty bad shape,' which has greatly delayed my work. No pretention was made to keep any books prior to 1912 and while a system of accounting, for the Support Fund only, was installed in 1912, this had not been written up for some time prior to the close of this audit and vouchers had to be arranged since June, 1913. In fact, I had to make up the work, not only for 1911, but a part of 1913 in order to get at the matter intelligently. Furthermore, no records were kept for the "Strike Fund" Appropriations 1911-1912, further than checks and vouchers; some of the cancelled checks and a bank pass book could not be located, and while this fund appears to be all right, I was unable to make an exact reconcilement with the bank from such data procured. * * *

"In checking the vouchers for the disbursements of State Funds, I had no authority other than the checks of Adjutant General Fridge. The system employed is to draw a warrant, monthly on the State Treasurer for a portion of the appropriation (usually $1,000.00) and this money is deposited in a bank subject to the check of the Adjutant General (who is not bonded) and under this practice it is merely a contingent fund for the General, to a certain extent, as there is no board or committee to advise or approve the accounts for payment; and while in nearly every case a voucher supports the check or withdrawal, yet an examination of many of these vouchers discloses the lack of due care and economy as to excessive or extravagant charges, details, etc., in the payment of same."

The legislature appropriated Ten Thousand Dollars for the year 1912 and a like sum for 1913 for the National Guard and $1,200.00 for each of the years for the salary of the Adjutant General, making the total appropriation from the State $11,200.00 for each of the years, and in October, 1913, $1,500.00 was borrowed. This fund was used for the general expenses of the Guard, including traveling expenses of the Adjutant General and other officers of the Guard while on duty for the State. The Adjutant General and others interested in the State Militia have complained to us that the appropriation made by the State is wholly inadequate for the proper support

of the Department; however, we think the Department, if conducted on an economical business basis, can be amply supported on the amount named above, and we do not favor increasing the appropriation. That much more money could be used, and from a military standpoint well used, we readily admit, but we do not regard an increase in the appropriation as a necessity at this time. The support fund for 1912 was spent as follows:

Labor and Office Help, Adjutant General's Office	$2,282.61
Columbus Encampment, Aug. and Sept., 1912	840 71
Printing and Office Supplies	501.39
Postage for Adjutant General's Office	160.00
Telegraph and Telephone	244.22
Vicksburg Rifle Range	1,702.36
Miscellaneous Expense	1 808.11
Gen. Arthur Fridge, traveling expenses	587.71
Col. Sam McCants, traveling expenses and per diem	497.78
Freight and drayage	663.93
Rents and warehouse	504.67
A. J. Patterson, Quarter Allowance	140.00
Col. Sam McCants, Headquarters Allowance	70.00
H G. Cramer, Quarter Allowance	6.00
Total	$10,009.49

Disbursements, 1913.

Freight and Drayage	$ 688.20
Rents and Warehouse	759.50
Labor and Office Help (Exhibit No. 16)	2,383.64
Flood Service (Exhibit No. 17)	739.74
Vicksburg Rifle Range (Exhibit No. 18)	1,437.76
Postage, Adjutant Gen'l Office (Exhibit No. 19)	120.00
Telegraph and Telephone (Exhibit No. 20)	283.57
Miscellaneous Supplies (Exhibit No. 21)	9.55
Printing Adjutant's Office (Exhibit No. 21)	308.45
Stat'y and Office Supplies (Exhibit No. 21)	85.20
Arthur Fridge, Trav. Exp. (Exhibit No. 22)	827.78

Col. Sam I. McCants, Trav. Exp. (Exhibit No. 23)	307.68
Col. McCant's Headquarters Exp. (Exhibit No. 23)	90.00
Capt. S. P. Walker, Travel. Exp. (Exhibit No. 24)	481.37
Capt. Walker, Headquarters Exp. (Exhibit No. 24)	100.00
Miscellaneous Expenses (Exhibit No. 25)	1.667.21
Bjloxi Encampment (Exhibit No. 26)	632.77
	$10,922.42

Unexpended Balance Trust Funds			$ 672.10
Balance Jackson Bank, Nov. 15, 1913		$ 752.06	
Outstanding Checks:			
No. 940—Morrisey Line	$ 5.00		
No. 1077—John P. Mayo	37.76		
No. 1214—C. W. Lagarde	4.50		
No. 1216—Cumberland Tel. Co.	23.10		
No. 1217—Cumberland Tel. Co.	8.40		
No. 1218—Cumberland Tel. Co.	1.20		
			79.96
		$ 752.06	$ 752.06

The National Guard is equipped by the War Department, the equipment simply being loaned to the State. The amount of equipment in the hands of the National Guard in this State at the present time is worth from One Hundred and Fifty Thousand Dollars to Two Hundred Thousand Dollars, and has not cost the State anything. In addition to the equipment, this State gets in round numbers about $60,000 a year from the United States Government, a part of which is in equipment and a part in cash; about ten to twelve thousand dollars of this amount must be spent for rifle practice; the balance of the cash allowance is spent for services in camp or on the field for instruction.

To secure this aid from the Federal Government, the National Guard must be kept up to the standard—that is, one hundred men for each member of Congress from this State, and must also meet other requirements. It seems that the companies in this State have been careless about the equipment, and it has not been well kept and properly cared for,

and much has been lost and misplaced. It is claimed by those in authority that this is due to the fact that they have practically no armories in which to store their rifles and uniforms; hence, many privates carry their guns, revolvers and uniforms to their homes, and in that way they are misplaced.

Most of the Captains in the State are under bond for the safekeeping of the equipment, and could be held responsible therefor, but on account of poor armor facilities, the Adjutant General has been very lenient with the Captains, and no suits have been brought to recover lost property.

The War Department sends us a regular army officer at least once a year to check up the equipment, and before he goes out a notice is sent to every Captain in the State, apprising him of the inspection and the day the officer will be there, thus giving them every opportunity to have the property where it can be seen and checked up for the Government. For a number of years there has been a shortage in Federal property, and it has grown now to around $40,000 worth, and is increasing every year.

The War Department has taken exceptions to the increasing shortage, and has been making every possible effort to have steps taken to have the shortage adjusted. The War Department has complained that certain officers in the National Guard have drawn pay for overtime and for services they were not entitled to receive pay for, and for that reason some of the payments have been suspended. The correspondence between the War Department and the Governor and Adjutant General has not been satisfactory. In October, 1913, Acting Secretary of War, Henry Breckinridge, wrote the following letter to Governor Brewer:

"October 22, 1913.

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"Honorable Earl Brewer,
"Governor of Mississippi,
"Jackson, Mississippi.

"Dear Sir:

"I have the honor to refer once more to my letters of February 8, February 24, June 7, and September 15, last, the

first two inviting the attention of your Excellency to the excessive shortage of Federal property, and certain grave irregularities attending the expenditure of Federal funds pertaining to the Organized Militia of your State; the third repeating and explaining in great detail the irregularities referred to in the first two and offering the assistance of the War Department in any effort you might make to correct such irregularities; and the fourth recurring to these subjects and the apparent lack of co-operation on the part of your Excellency in the efforts of the War Department to assist in the improvement of the Mississippi Militia, concluding with the hope that the courtesy of a reply would be extended setting forth the action that your Excellency had taken for remedying the conditions stated, and, finally, again offering any assistance in the matter that might be desired or requested.

"As more than a month has elapsed since the date of the last letter without a reply thereto, I am forced to conclude that the repeated efforts of the War Department have been in vain, and that its good offices are not desired.

"It is with extreme regret, therefore, that I have to inform your Excellency that, acting in the interest of the Federal Government, the War Department, in the continued absence of co-operation on the part of the State, and in the absence of a radical change for the better in the conditions of the Mississippi Organized Militia, will, on January 1 next, proceed to withdraw all Federal assistance in the nature of supplies, appropriations, and personnel.

"With great respect, I remain,

"Very sincerely yours,

"(Signed) HENRY BRECKINRIDGE,
"Acting Secretary of War."

(Seal)

The Committee seeing the situation was serious, and danger of losing Federal aid was imminent, we took the matter up with the War Department and asked for certain papers and documents which were promptly sent us by registered mail.

We then asked the Secretary of War by telegram to detail Captain Edgar N. Coffey, then stationed at Salt Lake City, Utah, to Jackson to appear before the Committee, and also to send Captain W .M. Fassett, of Washington, D. C., to Jackson, both of them being material witnesses, as they had both been identified with the National Guard of this State in recent years. They were both dispatched to Jackson at the expense of the War Department. After going rather fully into the matter and believing that the differences existing between the War Department and the State could be adjusted, we wrote the following letter to the Secretary of War:

"Jackson Miss., Dec. 10, 1913.

"To the Hon. Secretary of War, Mr. Garrison,
"Washington, D. C.

"My Dear Sir:

"On October 22, 1913, Mr. Breckinridge, Acting Secretary of War, wrote to the Governor of Mississippi that on the 1st day of January, 1914, the War Department would withdraw its aid in the way of equipment, appropriation and personnel, from the National Guard of this State. As you already know the Legislative Investigating Committee, of which I have the honor to be chairman, is making a full investigation into the affairs of the State National Guard with a view of adjusting the irregularities and putting it on a better basis. Our report will be made to the Legislature which convenes on January the 6th. It will, of course, take some little time then for the report to be considered and the legislature take action etc. Now in view of the fact that it will be impossible for us to adjust the matter prior to January 1, 1914, when your withdrawal order is to take effect, I am writing to you to solicit a suspension of your withdrawal order for 60 or 90 days, so that we may have ample time to fully investigate the matter and take some action putting the Guard on a better basis. I assure you that we are going into the matter fully.

"Please advise me whether or not the overpayments, to which the War Department took exceptions, have been adjusted and charged off in the case of Gen. Arthur Fridge. An immediate reply to this query will be greatly appreciated.

"Very truly,

"A. C. ANDERSON, Chairman Com."

To this letter we received a prompt and courteous reply, as follows:

"War Department, Washington,

"December 13, 1913."

"My Dear Senator Anderson:

"Replying to your letter of the 10th instant, I take pleasure in deferring the date for the withdrawal of the Federal Assistance from the organized Militia of Mississippi, for a period of ninety days, as you request.

"It will be noted that in my letter of October 22nd on this subject to the Governor of Mississippi, it was stated that the Federal withdrawal on January 1st next would follow 'in the continued absence of co-operation on the part of the State, and in the absence of radical change for the better in the condition of the organized Militia of Mississippi.'

"Your assurances that the Legislative Investigating Committee is making a full examination into the affairs of the State National Guard with the view of adjusting the irregularities and putting it on a better basis is an assurance of the best possible 'co-operation on the part of the State' that will result, it is hoped and believed, in the 'radical change for the better' required by the War Department.

"Replying to your inquiry concerning the accounts of the Adjutant General of Mississippi, I am informed by the auditor of the War Department that although that officer appeared before him with an attorney and arranged for a conference with a view of adjusting his accounts, the engagement was not kept, the Adjutant General has not appeared before him since, and his accounts remain unsettled as before. As infor-

mation necessary to the Governor, it is requested that the fact of the War Department's postponement of action until April 30th, 1914, be communicated to his Excellency.

"Very respectfully,

"LINDLEY M. GARRISON,
"Secretary of War."

We at once transmitted a copy of Mr. Garrison's letter to Governor Brewer, as he requested to which the following reply was received:

"December 22, 1913.

"Hon. A. C. Anderson, Chairman,
"Legislative Investigating Committee,
"Jackson, Mississippi.

"My Dear Mr. Anderson:

"The Governor is in Vicksburg, and I acknowledge receipt of your letter enclosing copy of one from the Secretary of War, and I know that the Governor feels as you do that it would be a great misfortune for Mississippi to lose the Federal appropriation for our National Guard.

"On the Governor's return this will have his personal attention.

"Yours truly,

WJB|B "W. J. BUCK, Secretary."

From information furnished us by the War Department and from our investigation, we think the expenditure of Federal money has been rather careless and extravagant, and in some cases it would seem that payments were made for more time than was actually served, or, at least, more time than was necessary to put in. The expenditures at the Rifle Range at Vicksburg have been, we think extravagant, and in a few instances double payments made—that is, two payments at the same time from different sources, when only one would appear to be authorized by the War Department. We trust that in

the future our military men will be more careful about the spending of Federal funds, and not look upon money coming from that source as legitimate prey.

Since we have been investigating this department, Adjutant General Arthur Fridge has resigned, and General E. C. Scales, of Macon, has been appointed in his place. General Scales has entered actively upon the discharge of the duties of his office, and we believe that if the State will give proper and courteous co-operation to the War Department our former good standing will be restored and pleasant relations renewed.

We took some testimony in the investigation, and now have it on file and the report of Mr. Crook who audited the department is on file, and we shall be glad to give any further information desired by the legislature in connection with the National Guard.

UNIVERSITY OF MISSISSIPPI.

Oxford, Mississippi.

It was sixty-five years ago on the 6th day of November, 1913, that the University of Mississippi opened its first session with a faculty of four teachers and with fifty students in attendance. Since that day, it has been the leading educational institution of this State, and one of the best known universities in the South. In all our work of forty investigations we found the general public more keenly interested, perhaps, in the university than in any other one institution. This extraordinary interest we attribute to the fact that in every section of the commonwealth are men and women who proudly call the university their Alma Mater, and in every community of Mississippi fathers and mothers are dreaming hopefully of that happy day in the future when their boys and girls shall bring home their diplomas from that great institution. From all parts of the State, and from other States, we received

letters of inquiry and communications telling us of some report or rumor that had come to their ears, and in almost every case loyalty to, and interest in, the university was expressed.

We visited the university in October and spent a week there, inspecting the buildings and grounds and taking testimony as to reports and rumors and charges that had been made against the institution.

The audit at the university was made by Lewis E. Crook, and covered the period from July 1, 1911, to July 1, 1913. The books, records and vouchers were all found to be well kept and in good shape. Secretary Ross had on file proper vouchers for all expenditures and, with the exception of a few errors in overpayments, his vouchers seemed to be correct. If there had been any graft, embezzlement or misappropriation of funds at the university we were unable to find it after a most searching audit of the books and examination into the affairs generally. There were some expenditures, however, the propriety of which might be questioned; but there was no indication of graft or embezzlement. Considerable traveling had been done for the university, and in most instances three cents a mile had been charged, when, in most cases, mileage books should have been procured and one cent a mile saved to the State. We found errors in overpayments amounting to $99.85, which we recovered.

We find that students are charged a flat rate of fifteen dollars a month for board, which is more than the cost at other institutions where the co-operative plan is used, but it is claimed they have better fare. We received many complaints from over the State about the fees charged students, and we went fully into that matter, and, in our opinion, the fees are excessive, and the Board of Trustees have no right to enact from students fees beyond the actual necessities; and certainly no right to collect fees from students to be used in paying back debts and making permanent improvements. We find during the session of 1912-1913 the average fees for students in the Academic Department to be $53.00. That you

may have full information on this point we quote the following exhibit from the report of Mr. Crook to the Committee:

"The fees appearing in the schedule which follows, are derived from the following charges, to-wit:

Matriculation fee (for the privilege of enrollment	$10.00
Association fee (for athletics)	10.00
Rentals (rent on furniture students in dormitory)	5.00
Law (tuition for session	75.00
Medicine (tuition for session)	75.00
Pharmacy (tuition for session)	75.00
Chemistry, laboratory fee, from $3 00 to	5.00
Physics, laboratory fee	3.00
Medicine, laboratory fee, from $25.00 to	27.50
Pharmacy, laboratory fee, from $10.00 to	19.00
Other laboratory fees, anatomy, bacteriology, etc., from $4.00 to	10.00

Fees appearing in other schedules in this report:

Hospital or infirmary, to students on campus	$ 5.00
Heat, light and water, to students in dormitory	18.00
Incidentals, to all students for power plant	5.00

The total fees from all sources average about $25,000.00 per year, but after deducting the fees for living expenses, laboratory fees, etc., the actual fees are about $25,000.~~00~~ per year.

To illustrate:

Total fees from all sources, 1912-1913		$25.674.06
Less		
Hospital	$1,565 00	
Power Plant	6,062.00	
Laboratory, etc	2,284.51	
Rentals	875.68	10,787.19
1912-1913 fees for matriculation, association and instruction		$14,886.87

These total fees for matriculation, association and instruction are expended for most any purpose and it is clearly evident that if reasonable economy and business management are

exercised the fees could be absolutely abolished and without any additional appropriation for the Support Fund. To prove this assertion, the fees for 1911-1912 and 1912-1913 were applied to old indebtedness incurred prior to July 1, 1911, and athletics, etc., for which the legislature did not provide, nor for which any of the appropriations were used, viz:

	1911-1912.	1912-1913.
For concrete walks, library	$ 135.54	
Library building, old contract McC. & Terry	1,000.00	5,500.00
Southern Coal Co., old account, power house	1,500.00	1,000.00
General fund, transferred for expenses, back salaries, etc.	6,088.04	
Tile floor at hospital	125.00	
Chancellor Kincannon on part back salary	500.00	
Armstrong Furniture Co., on account and interest		1 973.55
Interest La Bauve Fund		2,496.08
Interest Taylor Fund		300.00
To athletics, mostly Schauber "graduate manager"	4,192.40	3,670.03
	$13 540.98	$14,939.66

The item of $500.00 to Chancellor Kincannon is part payment of $125.00 per month salary for June, July, August and September, 1911. Up to that date the chancellor drew a salary of $5,000.00 per year, $3,500 00 of which came from the State appropriation, and $1,500.00 per year, or $125.00 per month from students' fees.

You will note that the fees are taking care of the La-Bauve scholarships, also a rental fee of $5.00 per student or $10.00 per session for room with two students is charged for use of furniture, when the students are also paying the furniture account.

RECEIPTS	1911-1912.	1912-1913.
Chemistry laboratory	$ 821.58	$ 798.68
Biology laboratory	358.32	433.33
Anatomy laboratory	478.00	489.00
Materia Medica	40.00	105.00
Pharmacy laboratory	238.32	214 18
Engineering	46.00	61.00
Physics	147.00	183.32
Chemical breakage		475.32
Association	3,818.00	3,630.05
Refund traveling expense, J. W. Bell	4.00	
Law	3 622.00	2,619.50
Medicine	2,350.00	2,545.00
Pharmacy	2,575 00	2,920.00
Matriculation	2,670 00	2,620.00
Rentals	979.50	875.68
Delay	6.00	2.00
Freight refund	51	
A. Flournay		75.00
	$18,154.23	$18,047.06
DISBURSEMENTS.		
Express and freight	$ 394.17	$ 171.37
Athletic Association (See Schedule No. 24)	4,192.40	3,670 00
Concrete work (walks for library	135.54	
Feed	9.20	
Interest on overdraft	12.00	
Shoeing horse	1.00	
Band instruments	100.10	
Premium secretary's bond	25.00	
Books for law library	52.00	
Printing	100.00	
Telegraph and telephones	6.69	
Furniture	4.00	
McClanahan & Terry, on library contract	1,000.00	5,500.00
Fairbanks Morse & Co., blocks and tackle	105.00	
Cremoline M'f'g. Co., floor dressing	235.20	

Southern Coal Co.	1,500.00	1 000.00
Room rent, Phi Sigma	35.00	20.00
Chemistry	719.87	705.21
Anatomy	247.93	390.18
Biology	352.22	403.42
Materia Medica and Pharmacy	630.74	244.81
Transferred to general fund	6,088.04	
Fees refunded	26 66	208.60
Physics	152.64	166.44
Tile floor, hospital	125.00	
General repairs	52.35	
N. P. Schauffer, traveling expense	25.15	42.00
Appraising Commission, expenses	34.50	
J. W. Bell, traveling expenses	179.21	
J. C. Fant, traveling expenses	30.00	
Chancellor's salary, A. A. Kincannon	500 00	
Correction account error in deposit		40
Scientific material		39.33
Dr. Rowland, for hospital		6.35
Binding periodicals		130.32
Toilet paper		88.92
Armstrong Furniture Co.		1,756.05
Interest on Armstrong Furniture Co. notes		217.50
Part salary, Fraser		217.50
Interest LaBauve Fund		2,496.08
Interest Taylor Fund		300.00
Totals	$17 208.91	$17,932.94

The Power Plant does not seem to be very satisfactory, although it has cost considerable money. According to the figures of the accountant the cost of operating the Power Plant is about 14,400.00, as follows:

Coal $9,500.00; salaries, labor and material, $4,900.00 a year, and its total production is $10,721.12, making a loss of $3,678.88 annually.

FELIX LABAUVE FUND.

Felix LaBauve, a French bachelor, who lived in DeSoto county, willed to the university a part of his fortune, and his will of record in DeSoto county, reads as follows:

"I, Felix LaBauve knowing the uncertainty of life do make and publish this my last will and testament, in manner following, that is to say:

"I desire my remains to be entered on Lot 426 at the most eligible place to be selected by executor hereafter named, a monument to be erected to cost not over Five Hundred Dollars, inclosed with iron railings the inscription thereon to be: 'Felix Labauve born at Voigiers on the 16th November, 1809. France, died on the..... Aged..... I give demise and bequeath the following sums to the following persons, namely:

To Widow Helena Cobb nee Hood, of Texas, One Thousand Dollars ($1,000). To Widow Jemima Payne, nee Holloway, of DeSoto, One Thousand Dollars ($1,000). To Widow E. J. Williams nee Hancock, of Tate, Five Hundred Dollars ($500) and her note. To Miss Berthe Pousin, of Fere, en Tardenoise, France, Five Thousand Dollars ($5,000) which shall be held by my executor and invested as he may think safest and best and the interest paid to her yearly for life. Should she die within ten years, but in case she lives ten years longer then I wish the amount paid to her. But should she die within ten years after my death, having no children living at her death, I wish the money to be paid to the hospital of the town of Vougiers, Department Des Aedemues, France. But should she die leaving children then my **Will** is that the said money shall be paid over to their legal guardian. To Henry Elder, of Natchez, bishop of the Roman Catholic church and his successors, Lots Nos. 426, 427 and 428 on Section 13, T. 3 R. 8, DeSoto, except that part on Lot 426 reserved for my remains for the sole use and purpose of erecting a Roman Catholic chapel. To Master F. B. White, son of my executor, my watch

and chain. Then the rest and residue of my property of every kind I devote to the creation of a scholarship in the University of Mississippi to be called LaBauve Scholarship, for the education of boys in the university and their support while there who are orphan children of worthy parents and citizens of DeSoto county and who are to be selected and presented by my executor or in the event of his death or resignation of this trust, then the president, for the time being of said university and his successors the proceeds and income only to be used for that purpose and the principal sum to remain untouched and such property my said executor shall invest when realized in such manner as in his judgment will best carry out the object in view and to retain the same during his life, unless he shall desire to surrender the same in such case or in case of death, I direct that such funds shall be paid over to the treasurer of the university on the condition that the bond of such treasurer shall be conditioned for the safe keeping of said fund and the proper disbursement of the same. I desire my executor to take charge of my family relics and dispose of them as he thinks most proper.

I make and constitute and appoint my friend Thomas E. White my executor of this Will and his empowered to sell real and personal property either at private or public sales as he may judge best.

There shall be no bond required of him to execute this trust. In witness whereof I have set my hand and seal this 16th day of April, A. D., 1879.

F. LABAUVE.

Filed July 11th, 1879.
R. W. WEST. Clerk."

According to the records at the university the total amount received under the terms of the above Will was $21,411.04, which amount was placed with the treasurer of the university on the 10th day of February, 1890. The following exhibit from Mr. Crook's report to the Committee, gives the handling of this fund in detail:

Total, $21,411.04.

The sum of $10,000.00 of the above cash was loaned to Chas. Scott, Rosedale, Miss., on March 8th, 1890, and the interest from this and other securities furnished a number of free scholarships to students from DeSoto county, but all of the securities and land were soon converted into cash and placed in the general fund of the university and was used for the payment of salaries to the officers and faculty, to-wit:

July 6th, ~~1912~~ 1902—Note bearing 8 per cent, executed by officers of the university to treasurer of the university $6,491.24

Jan. 22nd, 1894—Note bearing 8 per cent, executed by officers of the university to treasurer of the university 5,000.00

From 1894 to 1904 a part of these funds were placed at various times to the general fund of the university to meet salaries and expenses and on June 1, 1904 the balance of only $5,528.67 remaining to the credit of the La Bauve fund was transferred to the general fund of the university, and on that date (June 1, 1904) a note was given the officers of the university to the treasurer of the university in lieu of previous notes and for the entire amount $20,800.96. This note is now held by the treasurer of the university as a matter of form and bears interest at 6 per cent which is paid out of students' fees and is immediately withdrawn to take care of the scholarships. In other words the facts as shown by the treasurer's records are that the entire amount of LaBouve fund was applied to salaries and expenses of the university and since 1906 the students' fees have paid for the so-called scholarships from DeSoto county."

As will be seen in the Will set out above, it was the intention of Mr. LaBauve that this fund should remain in tact and only the interest be used, and we believe the expenditure of this fund as shown above was mismanagement and gross violation of a sacred obligation. It is but justice, however, to state that the present management had nothing to do with spending the original fund. The poor boys of DeSoto

county are entitled to the interest on this fund, but it certainly is not just and right to tax the boys from other counties with fees to pay for the education of DeSoto county boys. Therefore, we believe the best way out of this tangle is to pass a bill providing that the obligation be recognized and assumed by the State, and interest at the rate of 6 per cent per annum on the sum of the note be appropriated annually out of the state treasury and placed to the credit of the LaBauve fund at the university. It would probably be wise also to provide the special trustee of this fund from DeSoto county be required to designate and appoint the students to receive the benefits of said fund.

THE TAYLOR FUND.

In 1904, Doctor William A. Taylor, of Booneville, donated $2,500 to the university as a memorial to his deceased son, the interest on this fund to be used to pay for medals to be awarded annually. In 1905-1906, $2,000 of this fund was used in the erection of a building known as "Taylor Hall" and the remaining $500 was turned into the general fund and used for current expenses. We suggest that this fund also be assumed by the State as in the case of the LaBauve fund. The treasurer holds a note of the trustees for this amount, bearing interest at the rate of 6 per cent and the interest is paid out of student fees, as in the case of the other fund.

ODOM FUND.

The Odom Fund of $2,000 remains intact and has been loaned out at interest. However, the note was paid on the 7th day of February, 1913, and since that date has been in the hands of Mr. Porter, treasurer, without interest. We assume, however, that the board will require him to pay interest on the amount for the time that it has been in his hands.

We found the attendance of the university at the time we were there to be slightly under that of former years, but as far as we were able to tell it seemd that good work was

being done. The student body impressed us as being a most splendid one, and there seemed to be the best of feeling between the student body and the faculty, and all was moving along harmoniously. The past two years have been hard ones for the university. The fightt over the fraternity question was not without its disturbing influences which were felt in the life of the institution. That question has been settled and the fraternities put out by law, and that law upheld by the Supreme Court, and is being obeyed, so far as we could ascertain.

The following exhibit from our accountant's report will give information on the dining hall:

"I find that nearly all purchases of groceries, meats, produce, etc., to be used by all the boarders are charged to this account on secretary's ledger, and the groceries used for Ricks Hall (the girls' boarding house) and hospital or other departments are credited to this account, and the respective department charged. To follow this method a store room, or distributing place was used, thereby affording a splendid opportunity for groceries, etc., to be sold, delivered, or consumed for other purposes than for which they were purchased.

I do not charge that this was done, but I could easily determine the facts without any bookkeeping if the matrons of Gordon Hall, Ricks Hall and hospital had kept an accurate check of goods received, but I find that this important duty was neglected during most of the period of my investigation, and an effort to trace this matter would be useless.

I find that during the last biennial period that groceries from this store room were charged to Secretary Roos and Chancellor Kincannon and if this practice (which I consider irregular) is to be continued, a store or mercantile system of accounting should be installed. While Secretary Ross paid his account promptly each month, the account of Chancellor Kincannon, starting in June, 1911, and increasing monthly to May, 1913, reaching the sum of $1,059.76, was not credited

with any payments until March 28, 1913, and settled in full June 30. 1913.

It must be remembered that these groceries, etc., which go to make up Kincannon's personal account were originally charged to Gordon Hall, or Boys' Boarding House and is not credited to the Boys' Boarding House until Kincannon pays the account, consequently the boys have paid more than the cost of board during this period, and this is an accumulation which was applied on an old indebtedness to the Armstrong Furniture Co. (See Sheet No. 3, following under the head of "Disbursements.")

Recently a system has been adopted requiring matrons of the boarding departments to make requisitions for a monthly supply and bids are invited accordingly, which is very good; but they (the matrons) should see that they get what is asked for, and carefully check all supplies received. I took the liberty of instructing the Gordon Hall matron as to this, and offered some suggestions as to the manner in which the records should be kept. The method of having monthly requisitions as explained by Secretary Ross prevents the accumulation or carrying of any goods in the store, however, in my investigation of the records kept by the matrons at Gordon Hall, I found that now daily charges are made to Chancellor Kincannon for steaks, etc. delivered to his residence; this reference is not intended as a reflection on Chancellor Kincannon; but as a business proposition the selling or charging of provisions to any one should not be allowed, and I submit this information for your careful consideration.

The cost of board as charged to students is $15.00 a month, which includes laundry, pressing and the sweeping of rooms and from my observations and investigations the food served here is good and I have heard no complaints otherwise.

We have traced the account from month to month. and on the basis of $15.00 for board ,there appears a gradual accumulation or credit balance, sometimes a part of which is consumed by giving the boys better fare, or delicacies, but in the "long run" the accumulation is used for other purposes. At the close of collegiate years in June, 1911 (just before the beginning of my period) the surplus balance as per ledger account was $861.36, of which the sum of $841.01 was remitted to the Southern Coal Co. on June 26, 1911 for coal used at Power House, leaving a credit balance of $20.35. In addition to the surplus balance the inventory of the store room on June 1, 1911, was $906.00 less delivered to summer school $295.63, leaving the net amount of inventory $611.07, which consisted mostly of case goods."

The university owns a section of land where it is located, and we see no reason why a small farm opened up and operated on a business basis would not be a paying venture and help to reduce the cost of living by supplying at actual cost a good portion of the table fare for the dining halls.

The buildings in the main are in very good condition, although some repairs are needed in the roof of the hospital, and some minor repairs in other buildings. We can see no pressing need for new buildings at this time. Chancellor Kincannon has been highly successful in obtaining appropriations for new buildings, and the buildings are good ones.

We found that a number of suits have been filed against the University on account of alleged breach of contracts and non-payment of obligations. Most of these suits have been settled and settled favorably to the University. We very much regret that misunderstandings and disagreements between the Chancellor and certain creditors of the University have been such as to lead to law-suits, as such things tend to bring the institution into disrepute and are certainly very distasteful and embarrassing to the people of the State.

The Committee requested Secretary Ross to make a full and complete inventory of all property belonging to the university and since we were there that has been done and it

is one of the most complete in every detail that could have been done.

The University owns a section of land where it is located, and owns 23,360 acres in other parts of the State, all together, valued at $113,600. The buildings on the campus, including residences, are listed at $375,500. The inventory includes everything possessed by the institution, and is summed up as follows:

Equipment	$ 48,616.00
Supplies	1,508.98
Books	23,165.35
Furniture	11,813.92
Lands	113,600.00
Buildings	375,500.00
Total	$575 204.85

The enrollment for the session of 1912-1913 was 411, with an average attendance of 379. The average cost to each student of fees and board was $173.00 and the per capita cost appropriated by the State was $322.68, making the total actual cost for each student in the Academic Department, $495.86, to say nothing of railroad fare, books, clothes and spending money. This makes the cost of a university education beyond the means of many worthy young men, and such should not be the case.

We find that during the biennial period from July 1, 1911, to July 1, 1913, over $19,000 was paid out of student fees and boarding house fund on old debts, for which the students who were forced to put up the funds were in no wise responsible, and from which they received no benefit.

We strongly urge that the Board of Trustees take steps to reorganize the fee system and reduce the fees in the Academic Department to a sum not exceeding $15 00 per session, and if possible to reduce the cost along other lines, so

that the benefits of this great institution may be had by young men of moderate means

The report of our accountant, Mr. Lewis E. Crook, is on file and will give additional information along general lines to those who desire to know more about conditions at the university.

AUDITOR OF PUBLIC ACCOUNTS.

The office of Auditor of Public Accounts were examined and audited by Chas. E. Wermuth and Company, covering nearly four years, from October 1, 1909, to June 30, 1913.

The report of this department is long and tedious and filled with many statisaics, as the department is a kind of clearing house as to receipts and disbursements of nearly all departments of the State government. It required several months' time to examine and check up all the books, records and vouchers and file this report with the Committee. The audit for the period covered is exhaustive and complete, for the first time in the history of this State. We note a list of missing receipt warrants, but there is no dispute as to the payment of money into the State treasurey.

We find the total principal of outstanding bonds on June 30, 1913, to be $1,506,889.00. In addition to these bonds, however, we show that the State owes to Kidder, Peabody and Company, by way of special loans $600,000.00, due January 10, 1914, together with 5 per cent interest on the same, which has now been paid.

In the matter of the oath required by the tax collector and the certificate required of the chancery clerk, and the duty of the auditor of public accounts in seeing that same be done relative to settlements by the tax collector as to State taxes, we find a very careless condition of affairs. Some instances are noted that seem inexcusable, and we trust that

more care will be exercised along this line in the future. The auditor should be vigilant and insist on receipts for pay warrants, and see that same are approved by the Governor where the law so requires. The auditor, however, has done his best to cure these defects and comply with this suggestion by procuring receipts and approvals wherever it could reasonably be done. By simple errors, some tax collectors were overpaid tax commissions, but most of this has since been collected and the auditor is making an effort to get it all.

The State depository system is a great success. We have about eighty-two banks which have complied with the law for State funds and had on deposit to the credit of the State on July 5, 1913, the sum of $485,154.38. From October 1, 1909, to September 30, 1913, the State has received $45,015.20 in interest on State deposits.

Under Chapter 108, lawes of 1912, automobile tax amounting to $28,040 was collteted, and less expense of collection, there has been paid into the State treasury the sum of $26,-454.35. This law was declared unconstitutional in May 1913. (See 61 S. R., page 965). Therefore, the State will, no doubt, refund this money to the parties paying it in.

The auditor insists that he needs more office help to take care of the increasing duties of this office.

The auditor, under date of October 1, 1913, has made some very clear and positive suggestions to the legislature on various subjects, which we earnestly commend to the careful attention of the members of that body. He states that in January, 1914, the State will owe $843,465.00 of which $733,-000.00 is for money borrowed by the Governor, $10,465.00 for lands bought for penitentiary, and $100 000.00 for probable deficit of penitentiary. This is all in addition to the usual obligations of the State for current expenses.

The State auditor's office is bookkeeper for various departments and requires a large amount of detail work and

painstaking to keep everything straight. It is almost impossible to eliminate all errors, but the Committee believes that the present incumbent, Hon. Duncan L. Thompson, is doing his best, and he is a very efficient man, a bookkeeper of good training, and a man well informed on the affairs of the State government. He is making the State a splendid official, and his books are in good shape and well kept.

In checking this department, we found a number of errors, which resulted in the collection of over $700.00 for the State, but no part of this was funds handled by the auditor.

The report of this department contains much information, and is on file for the benefit of the legislature.

DEPARTMENT OF INSURANCE.

This department was checked by accountant, Charles E. Wermuth, covering the period from October 1, 1911, to September 30, 1913.

There are a few discrepancies in the department, but of small consequence. The report of the auditor closes in these words: "The books of the department were found to be correctly kept and the records complete in every detail. Our analysis of the receipts balances to a cent with the ledger for the department." We therefore conclude that the department is in good shape. It is a revenue producer over and above all expenses, as is shown by the report of our accountant. From October 1, 1911, to September 30, 1913, this department paid into the State treasury, in general fund and fire tax fund $405.545.45. From this sum deduct the commissioner's salary and traveling expenses and office help, and we have left about $390,000.00 net, over and above all expenses. The chief income is from privilege and premium taxes.

In this connection, we will state that the salary of the commissioner is $3,000 per annum and $500 for traveling ex-

penses. He is allowed office help to the extent of $2 750 per year, and employs three parties with this fund. W. J. Miller, the fire marshal receives a salary of $1,800 per year and is paid out of the fire tax fund.

There is a small balance of a fund known as the "Publication Fund," amounting to $1,220.50 on September 30, 1913, and is on deposit in banks to the credit of the Insurance Department. This fund varies from time to time, and in order to have it paid into the State treasury an act of the legislature would be necessary.

W. J. Miller, fire marshal, at a salary of $1,800 per year, is at present not under bond, though the premium has been paid for four years and his bond only covered one year, ending Jnauary 1, 1913. We are informed, however, that the bond will be filed at once.

The report of the accountant is on file, and will give additional information, if desired by any member.

INDUSTRIAL INSTITUTE AND COLLEGE.

Columbus, Mississippi.

The Committee visited the Industrial Institute and College after having received the auditor's report on the books and handling of funds. The general condition of the institution is good, and the members of the faculty are endeavoring to keep it up to the high standard it has enjoyed for many years.

We find that a former member of the Board of Trustees had been considerably interested in contracts with the institution, and that a present member has also been interested in some deals with the school. This practice is in violation of the law, and we call attention to it with the hope that it will not occur again. To avoid such violations of the law,

whether committed with fraudulent intent or not, is a responsibility equally upon the president and other high officials of a State institution, as well as upon the trustees themselves. and in this regard the very appearance of violating that wise provision of the Constitution and of the Code should be avoided.

The college authorities will ask the legislature to enlarge the hospital by an addition to the present building. The Committee visited the hospital and feel that an expenditure of money by the State for this purpose at this time is not vitally necessary.

The remodeling of Moore Hall in order to make more room for teachers aid students has also been suggested. This improvement is asked for by the college authorities, and the Committee endorses it, provided it can be done for a reasonable amount. Two reasons are assigned: One is because the room is needed; and the other is that the building which is fast becoming delapidated will be saved.

President Whitfield is gradually having the campus improved by grading and filling in the low places, thus making its appearance more attractive, as well as making it better fitted for athletic games. At some future time. when other things are not requiring such large expenditures of money, it would be well to consider the construction of a fence around the sides and back of the campus. This would be a great improvement for the college campus and a protection.

Quite a large amount of money has accumulated from the student accounts paid by them for board and other purposes; accumulating over a period of years, the amount is not unusually large. However, with the enormous sums of money appropriated by the State for the maintenance and support of its higher educational institutions, the Committee would favor a policy to keep the fees charged the students as low as possible, and the living expenses of the students at a minimum, and as near on a co-operative basis of actual cost as can be done.

The Industrial Institute and College has long had the reputation of doing splendid work, and the Committee believes it is living up to that reputation admirably; this is largely due to the members of the faculty who are so well qualified for their work, and which they willingly do for a reasonable compensation, as copmared with that of others of equal attainments.

The report of our accountant on the books and handling of the funds of the Industrial Institute and College is very gratifying to the Committee, and it is filed herewith for your information.

SPECIAL REPORT.

After the legislature convened communications were received by members making certain charges against the I. I. and C., and a joint resolution was passed directing the Committee to return to Columbus and make a special investigation of the charges, which was done. After returning, the following special report was made in both houses of the legislature:

"Acting under instructions of a joint resolution passed by both houses of the legislature, the Investigating Committee left Jackson last Wednesday night for Columbus for the purpose of making an investigation of the charges made against the Industrial Institute and College by one S. T. Payer in communications received by members of the legislature.

"We reached Columbus shortly after noon Thursday and immediately went to work. We required President Whitfield to answer under oath each and every charge contained in the letter above referred to. We also examined more than fifty witnesses under oath, and behind closed doors. Among the number were professional and business men of Columbus, ministers of the gospel, laboring men, policemen, the Mayor of Columbus, members of the faculty and students. We also

talked privately with citizens of Columbus and students of the school, and made every effort possible to run down each and every report and rumor against the school, and nowhere could be find any testimony or private utterance that tended to substantiate the charges made against the Industrial Institute and College; and the only adverse criticism that we could hear was that some of the girls had been indiscrete in dress when taking part in some play given by the school. We were assured, however, that the objectionable costumes had been discarded and that there had been no criticism along this line for some time, perhaps two years.

We find that the charge against President Whitfield that his demeanor towards the girls had been improper is utterly false and basely untrue.

We find on the contrary that the students are all loyal and devoted to him and that his conduct has at all times been proper, and that his interest in the girls is, as far as such a thing could be possible, that of a father or brother.

The standard of the college has been raised within the past few years and is now, in our opinion, doing the best work it has ever done during all the years of its successful history.

In support of this, our report we have sworn testimony of more than fifty witnesses which he will have transcribed if so desired and ordered by the legislature.

(Signed) A. C. ANDERSON, Chairman.
S. J. OWEN, Vice Chairman.
D. C. BRAMLETTE, Ja., Secretary.
W. A. ELLIS.
W. L. EVANS.

EXECUTIVE DEPARTMENT.

The audit of the Executive Department was made by Mr. Lewis E. Crook and covered the period of Governor Brewer's

administration, from the date of his induction into office down to and including December 20, 1913. The receipts of the Executive Department for the period of this audit were:

Contingent fund, 1912	$ 5,000.00
Contingent fund, 1913	5,000.00
Additional contingent fund, 1913	1,070 56
Storm fund, 1913	5,000.00
Mansion repair fund 1912	3,016.17
Strike emergency fund, 1912	2,000.00
Penitentiary investigation fund, 1913	10,000.00
Flood sufferers' fund, 1912	9,116.58
Spanish-American war fund	3,661.35
Total	$43,864.66

In his report to us, our accountant says: "All the vouchers for the disbursements of the various funds were checked and found correct, with certain exceptions noted as to the proper support or authority for some of the items, which follow in the report." And again he says: "Your special attention is invited to the penitentiary investigation fund * * * In checking up this fund I was unable to procure the accounts or contracts to support the amounts paid direct to the Burns Detective Agency, or to them through one Ila H. Sample, and have listed such items under the head of exceptions * * * I asked Mr. Buck, the Governor's private secretary, for this data and he replied that he had nothing to do with the Burns contract and knew nothing of the transactions. I also approached the Governor concerning this matter, as he was boarding a train for Vicksburg and he stated that a detailed account of all sums paid on the Burns contract would be presented to the legislature. While the penitentiary investigation fund proper only shows disbursements to the amount of $8,444.30, this is not all the money that has been expended for that purpose, as about $3,000 of the contingent fund was used, and I have prepared a schedule of the expenditures for penitentiary investigation to date, amounting to $11,697.85."

Following the report of our accountant, we had Governor Brewer come before us, and he showed us the correspondence

between the Burns Detective Agency and himself which, with their verbal understanding, constituted their contract. The Governor also told us that, while there had never been filed with him an itemized statement in support of the checks drawn in favor of the Burns Detective Agency, yet, he had requested that it be done; that he expected all these itemizations within a few days, and that he would make report thereon to the legislature. We understand that these vouchers have been filed with the Governor since the taking of his testimony.

The books in the Governor's office are neatly and correctly kept by Mr. W. J. Buck, the efficient private secretary of the Governor, and our accountant feels himself indebted to Mr. Buck for courtesies and valuable assistance rendered him in his investigation of the Governor's office.

MISSISSIPPI STATE BOARD OF HEALTH.

By direction of your Committee, a thorough and complete audit of the books and accounts of the Mississippi State Board of Health was made by R. G. Cranch and Company, and report made thereon December 6, 1913. Mr. Cranch, in his report, among other very complimentary things says: "We find all cash appropriated to this board correctly accounted for, and economically used. The condition of the records is excellent, and the personnel of the Health Department deserves commendation for their careful and painstaking work." And further he says: "Our first comment on the Health Department is that the people of the State are certainly receiving 100 cents for every dollar appropriated to an dexpended by the Board of Health."

The Department of Vital Statistics, which was provided for by the legislature two years ago, has been installed and is in very good working order. It is claimed that after this department is well organized and statistics are gathered that are worth while, there will be some revenue collected through furnishing the figures so gathered to those who are willing

to pay for such service. The Laboratory Department is one that seems to be rendering good service to the State, the record showing that during the biennial period since the last legislature 11,242 bacteriological examinations have been made free of cost to the people of the State. The fact that the average doctor is not equipped for this character of work and the fact that he can send a specimen to the Board of Health and get an immediate examination free of charge makes it one of importance. The work of the Sanitary Inspector has also shown good results. The record shows that over 900 prosecutions have resulted from the work of the inspector, and over $3,000 collected in fines. The fact that so many prosecutions have resulted from the inspections is proof that the inspector has found work to do.

The legislature appropriated to the State Board of Health for the years 1912-1913 the sum of Forty Thousand Dollars, and we are asked to make a further increase for the years 1914-1915.

Your Committee recognizes the value of an efficiently administered Department of Public Health, but we believe that some of the amounts asked for in the bill, as submitted to our accountant by the secretary of the Board of Health, and incorporated in his report to the Committee, to be excessive and not imperatively necessary to the success and progress of the Health Department. We believe that the total amount asked for can be greatly reduced without injuring the departmnt or hindring its progress.
for can be greatly reduced without injuring the department or hindering its progress.

AGRICULTURAL EXPERIMENT STATION,

McNeil, Mississippi.

This station was created under Chapter 61, Laws of 1900, approved March 12, 1900. It is located just south of the village of McNeil, Pearl River county, Mississippi, on the New Orleans and Northeastern Railroad, and embraces a large tract of land, the piney woods section of the State.

Mr. E. B. Ferris, a graduate of the A. & M. Colleeg at Starkville, is local Experiment Director, and has general supervision of the station, assisted by a few employes and laborers.

The station was checked in August, 1913, by the L. L. Blount Audit Company, covering the period from 1902 to June 30, 1913. While the audit was in progress a sub-committee, composed of S. Joe Owen, W. A. Ellis and W. L. Evans, visited the station, and, in company with Mr. Ferris, director, made an inspection of the place in general. We examined the fields, fences, farm, buildings, live stock, crops, and in fact, the whole situation as best we could from every viewpoint. Mr. Ferris was very obliging and courteous to us, and showed us every attention to facilitate our investigation.

From the auditor's report it will be found that the inventory of property was valued at $28,606.82 on June 30, 1913. Errors and omissions, amounting to $80.90 was promptly paid into the State treasury by Mr. Ferris, leaving a balance at that time of $11.14 due the State. A small dairy is run on the station and seems to be doing fairly well.

The land is poor and sandy and crops poor also, except some real fine corn, highly fertilized. The cotton was small and not very promising; the sugar cane crop was not very good. But this is an experiment station and not a commercial farm.

An experiment station owned by the State ought to be kept in fine shape all the time, as an object lesson for all the neighbors around, as a kind of exemplar—a grand model of what the ideal farm should be.

Thus far, the sugar mill venture is a failure and $3,000

or $4,000 lost. We found some garden and orchard truck, and the usual experimental crops of cotton, corn, peas, cane and sweet potatoes growing.

The accountant's report is filed for further information.

STATE LAND COMMISSIONER.

The State Land Office was checked by Chas. E. Wermuth and Company, covering a period of two years, from October 1, 1911, to September 30, 1913, except the record of patents issued was checked back to October 1, 1910. We found the records in that office to be in bad shape. It was difficult to tell just what had been collected, and whether everything was fully accounted for or not. The books are being as well kept now as is possible to keep them in the condition the office is in. There really should be a general overhauling of the office; much work is needed to be done on the books and records, and it would not be a bad idea to have a full and complete audit for many years back, which we were not able to make on account of time and money being too short.

It is difficult to tell from the records in that office just how much land the State owns, but the total amount must be around two million acres. Much has been sold, and is still being sold, for a price so far below the actual value that it amounts to a gift to the purchaser. We suspect that a careful examination would disclose considerable fraud in connection with the purchase of public lands; that is to say, those who want to get hold of certain State lands would have a third party "homestead" a piece of land and buy it at the very small price that has been charged for the land, and then afterwards transfer the title to the "man behind the scheme."

We believe that it would be money well spent if the legislature would appropriate money to have some competent man go fully into all the records in the office and straighten them out. It would be money well spent also to provide that the

State lands be mapped, platted and appraised, so that when inquiry is received about a certain piece of land it would be easy to quote a price on it that would be reasonable to the buyer and yet fair to the State. We believe that if these two suggestions are followed out successfully that it will mean a saving of no less than two to three millions of dollars to the State within the next few years.

Leigh Watkins, who was deputy land commissioner at the time, confessed in July to having embezzled a sum of money in that office, but before we checked the office he recanted and paid the money back into the treasury with interest for the time he kept it at the rate of 8 per cent. The total amount, principal and interest, amounting to $328.05. In addition to this, we found a shortage of $345.00 received from the sale of lands and which had not been paid into the treasury. This amount is yet unpaid, but we feel sure that it will be collected. This shortage occurred in the year 1912 after the present incumbent, Hon. M. A. Brown, became commissioner, and while Mr. John Smiley, now deceased was his deputy. They were both under bond at the time the money was collected. After discovering the shortage, we brought the matter to the attention of Mr. Brown in the following letter:

December 31, 1913.

Hon. M. A. Brown, Land Commissioner,

Jackson, Miss.

Dear Mr. Brown:

We have received the official report today from the auditors who checked your office and we find that they reported a shortage of $345.00, this being the same shortage discussed with you last week.

It is the opinion of the Committee that you, being the official head of the office, are liable to the State for the amount and that you should see that it is paid into the treasury.

Should you desire to be heard before the Committee we shall gladly accord you that privilege.

Yours very truly,

A. C. ANDERSON.
Chairman Legislative Investigating Committee.

Mr. Brown came before the Committee and admitted the shortage, but disclaimed personal responsibility therefor. He was very frank and fair with the Committee, and we do not believe that he intended to defraud the State. After conferring with Mr. Brown, we wrote the following letter to the Attorney General:

January 6, 1914.

Hon. Ross A. Collins,
Attorney General.
Jackson, Miss.

Dear Mr. Collins:

In checking the land office we found a shortage in the accounts amounting to $345.00. We hand you herewith certain papers in the matter and ask that you proceed in your official capacity to collect the said amount of $345.00, either by suit or in such manner as you deem right and proper.

Please acknowledge receipt of these papers that I may know you received them.

Very truly yours,

A. C. ANDERSON,
Chairman Legislative Investigating Committee.

We found in checking the affice that Commissioner Brown was not under bond during the year 1913, his bond having expired the first of that year and was not renewed on account of some careless oversight.

The report of our accountant is on file with the Committee, and we shall be glad to furnish any additional information that may be possible to give any member of the legislature who may desire it.

SECRETARY OF STATE.

The office of Secretary of State was checked by R. G. Cranch and Company, and covered a period of time from April 1, 1910, to December 1, 1913. It was found that the system of bookkeeping used by Mr. Power was crude and imperfect ,and many errors were found as a result thereof. It was found that errors had been made in undercollections on charter fees and other sources of collection to the amount of $592.59, for which amount Mr. Power assumed responsibility, and at once paid it into the treasury.

The secretary of State keeps such books as the State has for sale, and he has many on hand—more, in fact, that will ever be needed or wanted. He has no inventory of the books on hand. and has some trouble in keeping track of them and of knowing just what he has. It occurs to us that a careful inventory should be kept of all books coming into his hands and a careful record made of all sales, and in that way we could tell at any time just how many he has on hand and how much money he has collected from the sale of books.

The Secretary of State is the chief officer on the Board of Public Contracts, and is expected to attend to all the details thereof, which he does as its secretary. Prior to the new law of 1912, the public printing was divided into five classes, whereas now, under the new law, it is divided into twenty-nine classes and is working admirably and saving the State several thousand dollars annually.

Since we checked up this offiee, Mr. Power has installed a new and up-to-date business system in his office, and, with his new books, and the help the accountants have been able to give him we are sure he will have less trouble in the future and keep his records in better shape. This office is one of the most important in the State, and should be kept in good order. The report of our accountant is on file for further information.

YAZOO, MISSISSIPPI, DELTA LEVEE BOARD.

Clarksdale, Mississippi.

The Yazoo-Mississippi Delta Levee Board was checked up by Lewis E. Crook for a period of four years ending September 30th, 1913. This district embraces nine counties, and is controlled by a Board of Commisioners appointed by the Governor, one of their number elected president of the board. The board also elects a secretary-treasurer and a bookkeeper, who are not members of the board.

The books and records of the board were found to be in good shape and well kept, and, with the exception of a few errors, they were correct.

The secretary, Mr. Clark, gives but little time to the position, the work being done by the bookkeeper. Mr. Clark, however, is under a One Hundred Thousand Dollar bond.

The following extracts from Mr. Crook's narrative report will be of interest to the legislature:

"The revenue or taxes derived from the nine counties which comprise this Levee District, were compared with the collections by the sheriffs of their respective counties as furnished to the State auditor, and same were correct. In addition thereto some special privilege licenses and back taxes were paid direct to the Levee Board office of which the State auditor has no record.

"All the pay rolls, estimates on contracts and material for levee construction appear to be correct. In our examination of these items we have accepted the approved vouchers of Major Dabney, chief engineer, in connection with the contract as stated in the minutes, which is the extent of our investigation as to the construction work. However, I have listed on Exhibit No. 5 evey disbursement under my period of audit for your further consideration. The amount expended during the past four years is $497,830.31 and this added to prior expenditures as shown by the books gives a grand total of $5,761,806.04 invested in levee construction proper—not considering the amount expended for "right of way" damages, maintenance, etc.

"This account represents a fictitious value, in that the purchase of right of way and the payments to property owners for damages are passed to one head, and the right of way should be segragated from the damage, and separate accounts opened in ledger.

"During 1911 and 1912 a lot was purchased and building erected at a total cost of about $38,000. While the building is commodious, modern in every detail, and supposed to be fire proof, it occurs to me that the expenditure of such an amount for a domicile was unnecessary and an imposition on the tax payers of this district. I failed to find in the records where offers of sites were invited, but on Minute Book, page 290, the president of the board informed the other members present that he had procured an option on the present site for the sum of $2,200, and by the authority of the board, the lot was purchased; a voucher for same being issued and payable to E. L. Anderson, May 9th, 1911, who was not a member of the board at that time.

"Furthermore, I have been unable to find in the minutes where competitive bids were received for the construction of the building, although on Minute Book page 285 under date of January 27th, 1911, the president was authorized to secure estimates.

"Under date of December 28th, 1911—Minute Book page 309—a contract with Olsen and Lesh to construct this building was approved but the amount of the contract is not stated, and strange to say on October 31st 1911, nearly two months before the contract was approved, the firm of Olsen and Lesh were paid the sum of $2,750, for the first estimate and extras on the work.

"Detailed Exhibits follow for these expenditures under

their separate heads. Many of the pay rolls are not properly receipted and especially is this the case for High Water expense; but I am advised that men of integrity handled the pay rolls during the High Water fight—and also under such conditions it could not be expected that the rolls would be receipted according to the usual requirements.

"I have listed the current salaries for your information on Exhibit No. 18, and beg to invite your attention to the salaries paid Guy P. Clark, secretary and treasurer, and E. L Anderson, purchasing agent, being $150 per month and $83.33 per month, respectively. It is evident to me that these parties are mere figure-heads and their salaries amounting to $2,800 per year is a useless expense. It is also evident from the records that Mr. Clark, the secretary, takes no active interest whatever in the afairs or transactions pertaining to the Levee Board, his duties being merely to affix his name to the checks or vouchers, which is generally done in advance and are afterwards drawn by the bookkeeper and countersigned by the president. While the law provides for a secretary-treasurer, it is expected that he should earn the compensation allowed. but from my observations all of the work is new being done by the bookkeeper at an additional salary of $125 per month. Furthermoer, the requisitions from the levee camps for provisions and supplies are forwarded to the bookkeeper and in turn are sent to the purchasing agent. It occurs to me, and is plainly evident that one man in the capacity of secretary-treasurer could not keep busy in attending to the duties for which three men are now being paid. My motive in calling your attention to this matter is prompted purely by a sense of duty and is not intended as a reflection upon any of these gentlemen.

"In reference to Guy P. Clark, secretary and treasurer, there appears under the head of "Printing and Stationery" on Exhibit No. 14, various disbursements to the Register Publishing Company for the publishing of minutes, reports, etc., also for printing. Mr. Clark is manager and one of the owners of the Register, and this business is given to him without inviting competitive bids.

"For some time prior to the beginning of this audit, large sums of money were kept on deposit in the Planters Bank of Clarksdale, and other banks from which (the records show) no interest was derived by the Levee Board. In 1907 and 1908 the monthly balances in the Planters Bank alone, ranged from $230,000 to $504,000 and averaged $393 000 per month for a period of over eighteen months; but I understand that the interest on this and other depository balances, or a part thereof has been recovered from Ex-Treasurer F. I. Williams by process of law.

"Since the beginning of my investigation, in 1909, the funds have been distributed with depositories throughout the various counties in the district and in 1910, the depositories throughout the various counties in the district and in 1910, the depositories began paying 2 per cent on daily balances. It appears that the funds have been fairly distributed, it being necessary at certain periods to centralize the amounts at the Planters Bank of Clarksdale for the payment of bond coupons, debentures, etc.

"On June 22nd, 1912, debentures in the sum of $200,000 were deposited with the Planters Bank and this amount was not consumed until January, 1913; the monthly balances decreasing from $160,000 to $32 000 (after transferring some of the funds to other depositories) or an average monthly balance of $71,000 for a period of six months. During this period the debentures were drawing 5 per cent and as only 2 per cent on balances was allowed by the depositories, it was not a very profitable transaction for the Levee Board and I cannot understand why such a large amount of debentures were necessary at that time.

"In August, 1909, the sale of $325,000 of 4 1-2 forty year funding books, was consumated. These bonds were sold to take advantage of the option to retire 6 per cent bonds of the Third Series for like amount. While there was some delay in getting in the old bonds, the transaction was regular and no one lost any interest or suffered from the delay, unless it was the delinquent bondholder."

The bonds of local officials, which appears to be ample are as follows:

Guy P. Clark, Secretary	$ 5,000.00
Guy P. Clark, Treasurer	100,000.00
T. J. Collier, Bookkeeper	5 000.00

The comment of our accountant as set out above brings to your attention the most important features of his audit. Numerous reports had reached us to the effect that the conduct of the board had not been correct, but we were unable to substantiate the rumors by sworn testimony. We summoned and examined several witnesses from whom we expected to get information, but they gave nothing that reflected upon the board. A few witnesses who were desired by the committee were summoned through the mail to appear before the committee but did not respond and have never answered the communication and we have been unable to get them before the commitetee. It will be recalled that Chapter 160, Laws of 1912, authorized the board to issue bonds in an amount not to exceed $500,000.00 to bear a rate of interest below 6 per cent to be fixed by the board, for the purpose of calling in outstanding bonds issued in 1897 to the amount of $500,000.00, which bonds are bearing 6 per cent interest and were issued for a period of fifty years subject to call in twenty years. The purpose of this act was to enable the commissioner's at their option, to call in the 6 per cent bonds and issue new ones at a lower rate of interest and thereby save interest to the tax payers. The bonds provided for, however, have not been issued, as the bonds now outstanding can not be called in until 1917. The bonds now outstanding consist of five issues, aggregating a total of $1,799 000.00, which is the bonded indebtedness of the district. Three of these issues bear interest at the rate of 4 per cent, one 4 1-2 per cent and the other, as stated above, bears 6 per cent. It occurs to us that it would be good business to call in the issue of 1897, 6 per cent bonds, and replace them with bonds bearing a lower rate of interest, which we are sure the commissioners will do. The credit of the board is good and there would be no difficuity in floating

bonds at a rate lower than 6 per cent. The board handles a large amount of money, which is raised by a system of taxation, including privilege tax, ad valorem tax, acreage tax, and has received back taxes along from time to time; total tax collections for the year 1912-13 was $508,900.96, which, however, was considerably in excess of any prior year in the period of our audit, made necessary by the high-water fights of 1912 and 1913. We find that receipts from October 1, 1909. to October 1, 1913, including taxes, bonds and debentures sold, amounted to $2,512,526.84, and the treasurers' balance on October 1, 1913, was $42,344.23. We find that the high water fights of 1912 and 1913 cost the board $59,413.07 for the two years, but is much to the credit of the board and to the able chief engineer. Major T. G. Dabney, and his efficient assistant, W. L. Head, that the levees did not break and that the people of that section of the Delta were protected from the flood. Since the high waters, Major Dabney has set a new standard for his levee, and now proposes to raise it to a height that he believes will be full protection for all time to come. The levee built by Major Dabney, which he has been thirty years perfecting, has answered the question as to whether or not a levee can be built that will protect the low lands from overflow.

We find that the board has paid out large sums for rights of ways, which, in some instances, appears to be exorbitant. The damage, however, is appraised by a board appointed for that purpose and either side has the right to appeal to the courts. It has been the policy of the present board to settle these claims, when possiblet to do so, without a suit in court.

The following are the salaried officers of the board:

Current Salaries.

Officers.	**Per Annum.**
J. W. Cutrer, president, salary account	$1,000.00
E. L. Anderson, purchasing agent, salary account	1,000.00
Guy P. Clark, secretary-treasurer, salary account	1,800.00

T. J. Collier, bookkeeper, salary account	1 500.00
D. L. Thompson, auditor, salary account	600.00
Gary and Rice, attorneys, law expense	1,800.00
Oscar Rovinson, janitor, general expense	300.00
T. G. Dabney, chief engineer, engineering expense	4,500.00
W. L. Head, Asst. chief engineer, engineering expense	3,000.00
H. B. Walton, resident engineer, engineer expense	1,800.00
T. D. White, 2nd Asst. engineer, engineering expense	1,200.00
O. S. Goetz, rodman, engineering expense	1,080.00
H. V. Patton, inspector, engineering expense	720.00
N. E. Offenheimer, Asst. engineer, engineering expense	1,800.00
H. W. Patrick, rodman, engineering expense	900.00
J. T. Eddins, Jr., rodman engineering expense	900.00
T. G. Wingfield, Jr., rodman, engineering expense	720.00
J. E. Rogrs, storekeeper, levee Const. & Maint	300.00

Name.	Per Month.
Owen Beecom, axman, engineering expense	30.00
Hezekiah Chalmers, axeman, engineering expense	30.00
Abe Mason, axeman engineering expense	30.00
R. B. McGregor, foreman boat road force	60.00
J. M. Trimble, forman mechanics	60.00
W. E. Dickinson, forman repair force No. 1	75.00
K. W. Spill foreman special concrete force	50.00
B. R. Bagley, foreman repair force No. 2	75.00

The board has a policy of raising funds for emergency by issuing debentures, which is a form of note and pledges the income from taxes for the current year for the payment of same. This plan seems to work well and the business manner in which they have been handled is creditable to the board. We found the sum of debentures, including interest, outstanding for 1913 to be $104,233.28. The following statement of resources and liabilities is taken from Mr. Crook's report to the Committee:

STATEMENT—OCTOBER 1, 1913.

Resources

Guy P. Clark, Treasurer		$ 42,344.23
Levee Construction	$5,735,957.68	
Commissary — Force No. 1	4.598.30	
Commissary — Force No. 2	3,588.29	
Boat Road Force	1,203.38	
Team Expense	16 458.39	
Total Levee Construction		$5,761,806.04
Camp Equipment		1,940.06
Right of Way and Damage	486,944.19	
Commisary Mechanics Force	1.946.07	488,890.26
New Domicile		34 912.23
Funiture and Fixtures		1.634.00
		$6,331,526.82

Liabilities.

Bonded indebtedness	$1,799,000.00	
Debentures and interest, 1913	104,233.28	$1,903,233.28
Investment above bonded Indebtedness		$4,428,293.54

Any further information desired by members of the legislature may be obtained from the report of our accountant, Mr. Crook, which is on file for your inspection.

MISSISSIPPI LEVEE BOARD.

Greenville, Mississippi.

The Mississippi Levee Board has its domicile at Greenville, in Washington county. This board is appointed by the Governor and one of the number is elected president and the board elects a secretary, who is not a member of the board. The district includes only four counties, Bolivar, Issaquena, Washington and a portion of Warren, but has practically twice as

much levee mileage as the upper district. It is necessary also that the levees be higher and stronger as the volume of water is somewhat greater.

The books and records of this board were checked up by Lewis E. Crook and as the audit was not completed until after the legislature convened, it has been impossible for the Committee to visit the domicile of the board for the purpose of making an investigation. Our accountant found the books and records in very good shape, except the system was not very good and some errors were discovered. Mr. Crook made a number of suggestions as to how the system could be simiplified and made better and we are informed that the secretary, Mr. Smith, will adopt the suggestions and perfect the system at his earliest convenience. The period of time covered by our audit of the books was two years, beginning January 1, 1912, and ending December 31, 1913, ad for that time the total receipts of the district were $2,054 963.94, as shown in the following exhibit from the report of Mr. Crook to the Committee:

RECEIPTS.

From January 1, 1912, to December 31, 1913.

Advalorem Tax, Exhibit No. 3	$174,347.39	$180,598.57
Acreage Tax, Exhibit No. 3	75,299,63	74,803.25
Cotton Tax, Exhibit 3	116,786.03	155,045.54
Back Tax Exhibit No. 3	5,631 34	290.77
Yazoo & Mississippi Valley R. R. for District	48,456.00	48,456 00
Southern Railway Company, for District	10,108.00	10,108.00
Singer Sewing Machine Company, back tax	684.92	
Delinquent cotton tax	1 905.62	
Total Revenue	$432,534.01	$469,987.05
Certificates of indebtedness	$100,000.00	$150,000.00
First National Bank of Greenville—Loan supported by bonds		85,000.00

Bank of Washington, Greenville—Interest daily balances	1 029.36	3,421.51
Commercial Savings Bank, Greenville—Interest daily balances		1,080.05
Crittenden & Stacy—Forfeit and damages—breach contract		12,500.00
Rents received	100.00	20 00
Bond Refund Fund—Transferred to General Fund		500.00
John Nystrom—Forfeit on breach of contract		2.500.00
Coupon Interest Suspense Fund—Transferred to General Fund	2,500.00	
Special Coupon Interest Fund	7.50	
Bond Fund No. 1—Transferred to General Fund	1,000.00	
Bolivar County—One-half cost of road at Busby's		475.00
Quitclaim deeds	73.34	72.21
Supplies, material, etc., sold	42,426.74	1.592.03
Refund on payrolls, advances, etc.	1,296.57	167.92
Buildings sold from right of way		802.00
Coupons Nos. 1218 missing and one due 1918, $3.00	33.00	
Citizens bank check No. 2812, cancelled	1.46	
Accrued interest on bonds sold		7 168.72
New bonds sold	$797,000.00	
Less discount on same	58,325.00	738,675.00
Totals	$581,001.98	$1,473.961.96

Recapitulation.

Receipts, 1912	$ 581,001.98
Receipts 1913	1,473,961.96
Total Receipts	$2,054,963.94
Balance January 1, 1911	80,308.56
	$2,135,272 50

DISBURSEMENTS.

From January 1, 1912, to December 31, 1913.

	1912	1913
Expense (1913 includes bond issue expense)	$ 4,509.40	$ 9,454.67
Engineering expense	970.19	3,930.43
Officers salaries	10,862.88	10.157.38
Guarding levees	5,640.44	3,913.08
Assistant Engineers salaries	1,500.00	3,902.42
Inspectors salaries	4,055.00	992.00
Coupons	105,097.50	102,577 00
Levee graduation—Washington county		144,285.64
Right of Way, Bolivar county	15,013.60	6 973.05
Right of Way, Washington county	2,156.68	75,900.88
Right of Way, Issaquena county	2,720.52	10,861.05
Right of Way, Warren county	49.50	
Levee repairs, Bolivar county	97,970.74	211.855.12
Levee repairs, Washington county	42,418.52	205,741.46
Levee repairs Issaquena county	10,376.98	2,101.65
Levee repairs, Warren county		6,145.73
Tax collectors commissions, Bolivar county	2,303.86	2,635 35
Tax collectors commissions, Washington county	4,569.60	3,365.09
Tax collectors commissions, Sharkey county	1,153.68	1,007.67
Tax collectors commissions, Isaquena county	743.06	692.61
Tax collectors commissions, Warren county	41.54	45.14
Cotton tax commissions and deductions	291.36	906.40
Cotton tax collection expense	3,335.36	2,261.68
High Water expense	181 009 39	232,070.72
Emergency expense Beulah break		28,916.12
Trustees mileage and per diem	340.41	921.04
Printing	452.19	442.23

Repair Force No. 1	22,064.03	25,411.78
Repair Force No. 2		30,490.65
Certificate of indebtedness	25,000.00	200,000.00
Interest on certificates	441.65	8.949.90
First National Bank—Loan secured by bonds		85.000 00
Interest on First National Bank Loan.		99.16
F. M. Scott Emergency Fund	540.70	
Cotton taxes refunded	503.42	216.03
Other taxes refunded	1.58	22.71
Bond No. 373 and coupon	975 00	
D. C. Wasson—Cash advanced	100.00	
Deposit Chicago for coupons maturing January, 1914.		8,750.00
	$ 547,208.78	$1,430.995.84

Recapitulation.

Disbursements 1912	$ 547 208.78
Disbursements 1913	1,430.995.84
Total disbursements	$1,978.204.62
Balance on hand December 31, 1913.	157,067.88
	$2,135.272.50

The books show a balance on hand on December 31, 1913, of 157,067.88. The revenue for this district is raised by ad valorem taxes, acreage taxes and cotton taxes and more or less is collected every year from back taxes. The bonded debt of the district is shown in the following Exhibit from the report of Mr. Crook:

Outstanding Bonds.

Issued May, 1914, Levee District, 6 per cent interest, due May, 1924; Interest due May and November, $200,000.

Issued May, 1904, Levee District, 5 per cent interest, due May, 1944; interest due May and November, $1 000,000.

Issued Sept. 1909, Refunding, 4 1-2 per cent interest, due Sept, 1934; interest due March and September, $450,000.

Issued April, 1911, Refunding, 41-2 per cent interest, due April, 1936; interest due January and July, $500 000.

Issued July, 1913, Levee Construction, 5 per cent interest. due July, 1953; interest due January and July, $797,000.

Total issue $2,947,000.

The following exhibit shows the amount of work done by the board since 1882:

Work Done by the Mississippi Levee Board From July 1, 1882, to January 1, 1914.

35,956 899 Cubic Yards ....$7,635,761.63—Amount paid
66,097.88—Retained Pct

$7,701,859.51—Cost

Average cost per cubic yard, about 21 42 cents.

Recapitulation by Counties.

	Cubic Yds.	Amt. Pd.	Retund Pet.	Cost.
Washington Co	9,680.544	2,260,195.21	38,673.32	2,298 868.53
Issaquena Co.	10,576,897	1,962,845 39	1,139.55	1,963.984.94
Warren Co. ..	443,455	82,938.53	1,225.83	84,164.36
Bolivar Co...	15,256,003	$3.329,782.50	25,059.18	$3.354.841.63

As a matter of further information to the legislature, we quote the following extracts from the narrative report of Mr. Crook to the Committee:

"The financial condition of the board is not shown by the books and account, as no ledger is kept and I am therefore unable to prepare a statement of investments in excess of bonded indebtedness.

While the minutes or records of the proceedings of the board are not properly kept (in that it consists of typewritten matter and newspaper clippings, all pasted in—blank pages, etc.) it shows that the board has been diligent and it appears that they have exercised honest efforts in serving the district.

The taxes or revenue appearing under the head of Receipts on Exhibit No. 1, is derived from the following tax levy —it being the same for 1912 and 1913, viz:

5 cents per acre on lands not incorporated in towns or villages.

5 cents on each lot in towns and villages.

10 mills advalorem.

1-5 of 1 cent per pound on cotton grown.

1-15 of 1 cent per pound on seed cotton grown.

In checking the receipts for acreage, lots and advalorem, I have relied on the reports as furnished the secretary and treasurer of the board by the tax colletors of their respective counties however these receipts will be compared with the receipts of State auditor and State treasurer and any difference will be promptly reported to your Committee.

Also in checking the cotton tax collectors' reports, I accepted the number of bales as shown in same as being correct without verification. In this connection it appears from the records that for years past the collection of cotton taxes has been a problem with the board and various systems and requirements have been promulgated to accomplish the end of perfection. Yet from such information and data I could obtain, these collections fall short about 10 per cent as compared with the statistics of cotton grown in this district. It might be argued that these statistics are in a way incorrec or estimated. However, in view of the fluctuations in each season's cotton qield, and having investigated past efforts in this direction, I have no suggestion to offer which would improve the present method for recovering cotton taxes. Of course the method or system now in vogue depends largely upon the integrity, energy and capability of the cotton tax collector and it is evident from results obtained during the period under reviewfi that the present collector possesses such qualifications.

Your attention is invited to the amount of Bank of Washington 'Interest on Daily Balances' for 1912 as compared with 1913, appearing under the head of receipts on Exhibit 1. At

the beginning of my investigation I noted this and have prepared a schedule of balance so as to determine the amount of intrets to be recovered, but when I stated my purpose and inquired of the secretary and treasurer, Mr. L. Pink Smith, as to how I could get access to the books of the Bank of Washington (now defunct), he presented a letter under date of November 1, 1913, from certain accountants, certifying that the inteerst for 1912 as due by the Bank of Washington amounted to $4,011.83. The Bank of Washington liquidated in September, 1913, transferring its business to the Commercial Savings Bank, but fortunately there are enough funds on hand to pay this amount, and I am informed that at a meeting of the board of Monday, January 12, 1914, the sum of $3,711.00 was agreed upon between the attorney for the board and a representative of the delinquent Bank of Washington.

There is another very important item which appears to have escaped the attention of the board and their auditors during the year 1912, resulting in a loss of aobut $850 00, which has not been corrected and should be recovered if possible; and that is the cotton tax collections for the first six months of that year amounting to $71,715.79 (after deducting commissions) were not turned in until June 29, 1912, same having been deposited in the Bank of Washington on that date. These collections are shown in the reports as follows:

January, 1912	$30,642.00
February, 1912	19,540.00
March, 1912	9,630.00
April, 1912	8,889.00
May, 1912	1,920.00
June, 1912	1,528.00

The interest on the first five items computed from the first of the months following, at the rate of 3 1-2 per cent, equals the sum of $816.53 and a memorandum of these items has been left with the board's attorney, Hon. Walton Shields, for investigation.

Furthermore, during the year 1912, Certificates of In-

debtedness Nos. 625 to 634, were negotiated for the sum of $100,000, bearing 6 per cent interest. these certificates were issued to the Bank of Washington under date of April 8th, 1912, and were not retired until January 15, 1913, the total amounts of interest paid on same amounting to $4.716.00. It is explained that this money was needed or held for 'High Water Emergencies' and while the explanation is plausible; nevertheless it was bad financing to pay 6 per cent for this period and receive only 3 1-2 on daily balances, when the cash book monthly balances subsequently ars as follows:

April 1, 1912, cash on hond	211,027.45
May 1, 1912, cash on hand	223,004.88
June 1, 1912 cash on hand	114,560.97
July, 1, 1912, cash on hand	195,337 09
August 1, 1912, cash on hand	176,400.48
September 1, 1912, cash on hand	161,669.99
October 1, 1912, cash on hand	129,423.04
November 1, 1912 cash on hand	171,966.34
December 1, 1912, cash on hand	97,619.90
January 1, 1913, cash on hand	114,101.76

In justice to the present secretary and treasurer, L. Pink Smiht, I desire to state that the foregoing transactions occurred prior to his assuming office in July ,1912, and since that time the records and transactions have received better attention, cotton collection being reported promptly and bank balances being compared regularly. Prior to this time it appears that the board or secretary and treasurer depended largely upon their auditors to write up the records and prepare semi-annual statements.

Your attention is called to the item of High Water expense, under the head of Disbursements on Exhibit No. 1, which will give some idea as to the large expenditures for this purpose. the amount in 1913 being $232,000.00 and adding to this the emergency fund for 'Beulah Break', gives a total of $261,000 for that year. The payrolls supporting High Water expenses were all carefully examined and footed but most of them are

irregular on account of not being properly receipted. But this could not be expected in such strenuous times, and it appears that the disbursement of this money was left to the honor and integrity of the paymaster.

As to the disbursement for Levee Repairs, Levee Graduation, etc., I have accepted the estimates of the engineers comparing same with the contracts as shown by the minutes and it is evident that the engineers have not slept on their rights, as it appears that all contracts have been fully complied with. In this connection your attention is invited to the items of Crttenden and Stacey $12,500.00 and John Nystrom $2,500.00 under the head of Receipts, which is for breach of contract, damages, etc.

The present method of handling the accounts of Repair Force No. 1 and No. 2 leaves a wide channel for graft and embezzlement and should be corrected. The Repair Forces should be charged with all provisions and supplies and should be required to give an accounting for amounts furnished to labor or deductions from pay rolls etc., showing inventories, so that it could be determined as to whether or not correct disposition has been made of goods furnished—also as to the profits from this source.

The coupons paid during my period of audit were not counted or checked, same having been investigated by other auditors and vertified by the finance committee of the board semi-annually and 'burned to ashes,' according to information derived from the records.

The salaries paid officials as fixed at the July meetings of the 1912 and 1913 are as follows:

	1912.	1913.
C. R. Smith, President	$1,000.00	$1,000.00
L. Pink Smith, Secretary and Treasurer	1,800.00	2,100.00
Walton Shields, Attorney	1,500.00	1,500.00
W. A. Stone, Cotton Tax Collector	2,400.00	2 400.00
W. J. Shackleford, Chief Engineer	3,000.00	3,000.00

Robert Somerville, Asst. Chief Engineer	2,400.00	2,400.00

On July 14, 1913, W. L. Thompson was elected chief engineer to succeed W. J. Shackelford, who resigned. Prior to July 1, 1912, W. A. Stone drew two salaries monthly, one sa Cotton Tax Collector, $100.00 and expenses and one as Levee Guard $125.00, see Exceptions on Exhibit No. 7, Sheet No. 1.

The surety bonds for the various officers are ample—that of the Secretary and Treasurer being for $80,000.00 and placed with the United States Fidelity and Guaranty Company of Baltimore, Md. Also the securities from depositors are held by the tAtorney for the Board.''

We believe that it would be for the best interest of the districts and of the entire State, so far as the levee problem enters into our public affairs, to have the commissioners elected by the people, as other officials are elected. We make this recommendation without any intention to reflect upon the able men who now hold the positions by appointment, or upon any man who has held such a position in the past. But we think where there is so much involved in the way of taxes and in the great importance of the levees that it would be better if the commissioners were elected by the people. To this end we would suggest an amendment to the Constitution.

For further information we refer memebers to the report of the accountant, which we have on file.

STATE REVENUE DEPARTMENT.

Hon. Wirt Adams, Agent.

The office of the Revenue Agent was checked up by Mr. Lewis E. Crook and covered a period of two years from October, 1911, to November, 1913, and Sixteenth Section lands from 1908 to 1911. We quote the following from the narrative report of Mr. Crook:

"All the commissioners were verified and found correct with the exception of one or two minor errors in favor of the Revenue Agent, and all receipts were in the files for amounts paid to the State Treasurer, County Treasurers, Municipalities, etc., Also I find the records in splendid shape and accurately kept.

"Your attention is invited to Exhibit No. 1, as to the distribution of the commissions derived from collections for the two years and you will note that after paying attorneys and deputies, the amount left for the Revenue Agent during the pariod under review is $25 990.38 and according to the collections for 1913 his share of the commissions would be only about $8,000.00 for that year. These figures are the Revenue Agents share of the gross, and any additional expense incurred (other than attorneys and deputies) would have to be deducted to determine his actual compensation. In fact the revenue from this office depends upon the energy and capability of the agent and his deputies and there is a large variation annually as to the amount derived.

"As to the recovering from Sixteenth Section lands, which covers a period of four years, the main portion of these collections occurred in 1908 and it appears there wasanagreement with the attorneys, deputies and Revenue Agent, for each to receive one-third of the commission on recoveries.

"Every courtesy was extended me by the Revenue Agent, Hon. Wirt Adams, to facilitate my investigation of this office, which is duly appreciated."

We find that from October 18, 1911, to November 6, 1913, the Revenue Agent collected the sum of $312,492.14, on which collections he received a commission of 20 per cent or the sum of $62 498.42, which was divided as follows, to-wit:

Amount paid to attorneys	$14,203.19
Amount paid to deputies	22,304.62
Amount retained by Agent	25,990.38
	$62,498.42

Recoveries on Sixteenth Section lands were as follows, to-wit:

1908-09	$82,508.60
1910-11	11,547 02

The commission of 20 per cent on this amount was $18,-811.11, which was distributed equally to the attorneqs, the deputies and the Agent, one-third going to each. After paying commissions the counties received $75,244.51 net.

The office of the Revenue Agent is in good shape, the books and records are well kept and it appears that the Agent has been diligent and faithful in performing his duties, and while he has been well paid in commissions he has also put into the State treasury and into the treasury of many counties large sums of tax money, which but for this office would never have been recovered. Not only has he recovered large sums of money, but the fact that he is ever watchful of his duties is a deterrent to the would-be tax-dodger. The office is one of great importance to the people of the State. The accounting is filed for record.

STATE TREASURER.

Jackson, Mississippi.

The State Treasurer's office was checked through the Auditor's office and was also examined by the Committee and found to be all right. The books are well kept and in balance. Hon. P. S. Stovall, the Treasurer, is making a good officer.

This concludes our work so far as accounting is concerned, but we have yet a little unfinished business for the Committee and it will be necessary to submit a supplemental report later on. While the work we have been called upon to perform has been onerous and heavy, yet it has not been without its pleas-

ant features. Members of the legislature have given us splendid co-operation and the people of the State have given us hearty sympathy. Everywhere we have gone we have been treated with the highest respect and greatest courtesy and the people have freely expressed cordial approval of our work.

We feel that the work has accomplished much good for the State, even far more than is observed on the surface and much good is yet to come from it. Having observed closely and carefully studied our public affairs as we have gone along we are fully convinced that it would be to the best interest of the State to have all our State and State District offices and all our institutions checked up at least once a year. Having brought the work practically to date, the cost of checking all offices and departments once a year will not be so great in the future and it is our opinion that the best way to handle this matter is to provide for a standing legislative committee, and allow that committee to employ the accountants and direct the work. It would not be necessary in the future for the committee to devote very much active time to the work, but monthly or semi-monthly meetings could be held and the work carried on, and when necessary to make an investigation, other than the accounting, it should be easily done.

We are glad to say that after a careful investigation of all the departments and institutions of the State government we are convinced that our affairs, in the main are in safe hands, and that our officials are performing their duties with honesty of purpose and patriotic zeal for the welfare of Mississippi.

FINANCIAL STATEMENT.

The financial statement is not quite complete for the reason that we have not yet had a full settlement with the accountants and have yet some bills to pay. Up to the time of writing this report we have paid out the following amounts:

Accountants.

R. G. Cranch & Co.	$4.809.05
Chas. E. Wermuth & Co.	4,308.55
Lewis E. Crook	4,742.37
W. W Cole	393.14
L. L. Blount	601.12

Stenographers.

J. W. Bloomfield	310.19
E. D. Gunning	100.90
R S. Streit	973.32

Miscellaneous.

Miscellaneous expenses	120.40

Members of Committee.

A. C Anderson	1,456.61
S. Joe Owen	1,164.35
W. A. Ellis	1,051.01
W. L. Evans	1,151.56
D. C. Bramlette	968.30

The amounts paid to members of the committee was for per diem and expenses for each member except that general expenses of the committee, including room at Noble Hotel for headquarters, and such expenses as had to be met incidentally, were paid through the Chairman, A. C. Anderson, which amounted to nearly $300.00. Itemized statement is attached

to every check and it is clearly shown for what purpose every dollar was spent. A more detailed statement of expenditures will be filed with our final report, which will be made in a supplemental report as soon as our work is fully completed.

A. C. ANDERSON, Chairman.

S. JOE OWEN, Vice-Chairman.

D. C. BRAMLETTE, Secretary.

W. A. ELLIS.

W. L. EVANS.

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